ALBERTA MOBILE HOME PARK COMPARISON TAX STUDY

Alberta
MUNICIPAL AFFAIRS
Assessment Standards Branch

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ACKNOWLEDGEMENTS

A number of agencies, firms, associations and municipalities have provided information, materials, and technical assistance during the preparation of this publication. Their cooperation, contribution and participation is appreciated.

Manufactured Housing Association of Alberta and Saskatchewan
City of Red Deer
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INTRODUCTION

This study and report has been prepared by Alberta Municipal Affairs, Assessment Standards Branch, for Alberta Municipal Affairs, Housing Division, of Edmonton, Alberta.

The objective of this study, is to investigate, determine and compare total tax and license revenues paid to a municipality from a mobile home park subdivision versus the total tax revenues received from a comparable residential subdivision.

The basis of comparison are as follows:

- equal size in areas of subdivisions
- equal age of subdivision developments
- equal age of structures (houses versus mobile homes)
- residential subdivision to contain conventional housing of approximately 1000 square feet, or equivalent in size to most mobile homes
- mobile homes in park to be of Class 1 quality
- mobile home park to be "B Class" custom quality for site valuations, comparable to residential subdivision services

Based on inspections and analysis, the following report supports the findings and conclusions for this study.

November, 1989

GENERAL SYNOPSIS OF FINDINGS

COMPARISONS	TOTAL MUNICIPAL REVENUES 1989	REVENUE PER ACRE	REVENUE PER UNIT
RED DEER			
Neville Close subdivision	$ 36,068	$4,721	$1,387
* Mustang Acres (4th phase)	38,265	5,041	589
CALGARY I			
Pineridge subdivision	$215,981	$5,399	$1,459
Parkridge Mobile Home Park	229,403	5,735	837
CALGARY II			
Dalhousie subdivision	$213,427	$6,037	$1,641
** Cascade Mobile Home Park	194,215	5,494	639

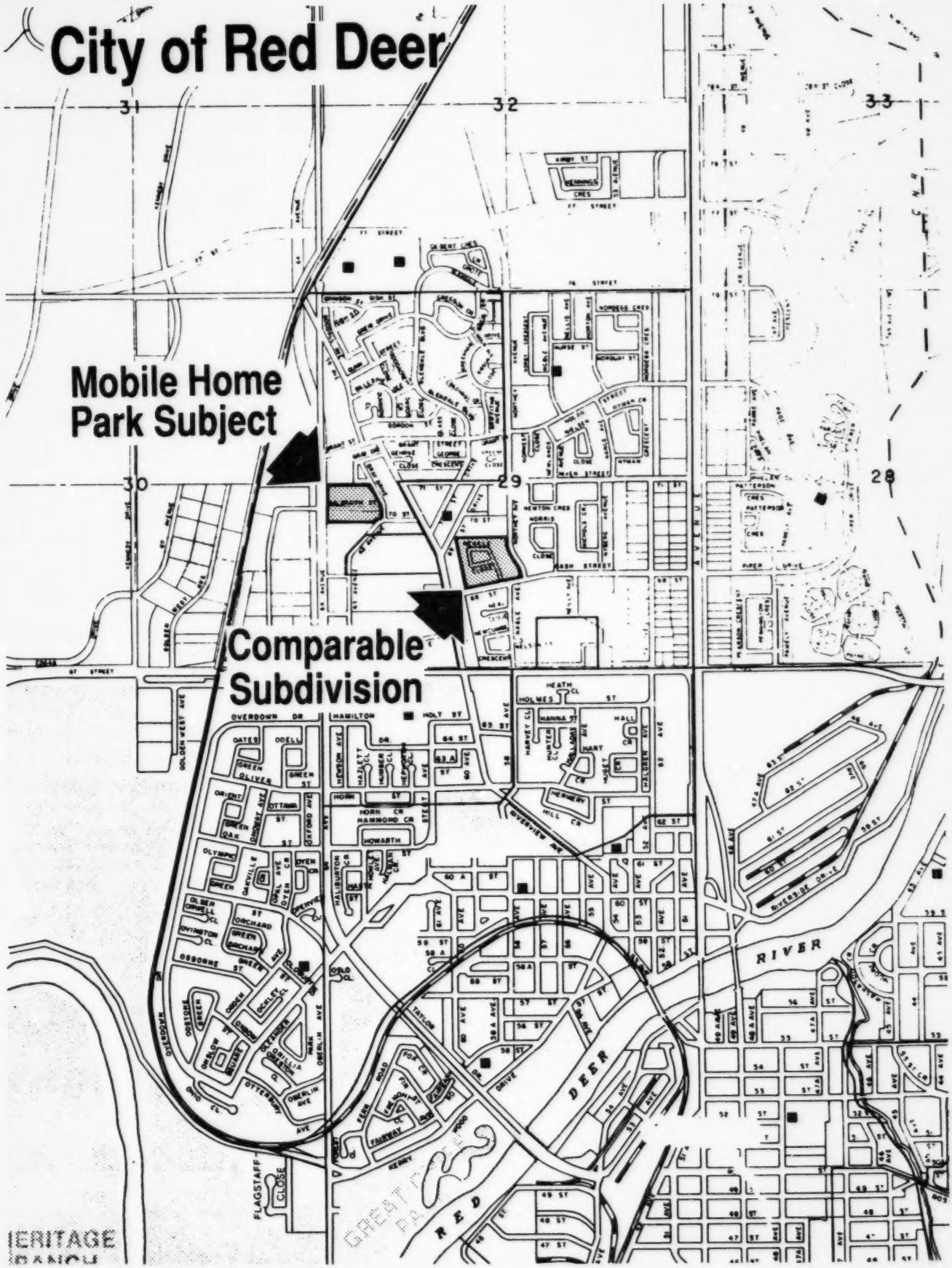
NOTE:

* After adjustments were made to maximize comparability, this revenue amount has been calculated from the revised comparable model and is not the actual revenue collected.

** Cascade Mobile Home Park valuations and subsequent revenues are subject to Local Authorities Board Order restrictions.

MOBILE HOME PARK COMPARISON TAX STUDY

CITY OF RED DEER



Map courtesy of Royal LePage Real Estate, Red Deer, Alberta

VALUATION OF MUSTANG ACRES (4TH PHASE) MOBILE HOME PARK

MOBILE HOME PARK

SUBDIVISION DATA

The mobile home park used in this portion of the study is the 4th phase of Mustang Acres.

Location — City of Red Deer
— Pt. SW 29 - 38 - 27 W4

Legal — Plan 782-2082
Block 13, Lot 3 - 4.81 acres
Block 8, Lot 7A - 2.78 acres

Total area — 7.59 acres (3.07 ha)

Number of sites (stalls) — 65

Date of construction — 1978

Zoning — R4 (mobile home park)

Number of mobile homes — 65

Number of garages — 0

SERVICES

The mobile home park is considered to be fully serviced with the 65 stalls or sites constructed in 1978. The following is found:

1. Full engineering and planning

2. Area has been stripped, graded, levelled and sloped for drainage

3. Roads
   - Galbraith Street (70A) bisects the park from east to west, joining Gray Drive and 64th Avenue. This is a city of Red Deer developed road and is not part of the park.
   - This street is 66 feet wide, has base and asphalt pavement top.
   - Roads within the park consist of Greenwood Avenue and Gadsby Street which are park owned roads.
   - These roads are 40 feet wide, have gravel base and 2 inch asphalt pavement top.
   - No alleys are found in the park.

4. Curbs, gutters & sidewalks
   - Concrete monolithic curb and gutter is found on 70A Street, Gray Drive and 63rd Avenue bordering the park areas and city owned. Integrated catch basins are also found.
   - No curb and gutter found on park streets.
   - No sidewalks found on park streets.

5. Water lines
   - Park sites are serviced with 3 inch lines, 4 inch mains on park streets and 6 inch city trunk lines.
   - Fire hydrants are 6 inch lines.

6. Sanitary sewer
   - Park sites are serviced with 6 inch lines, park lines tie into 8 inch city mains.

7. Storm sewer
   - No storm lines within park site area.

8. Gas
   - Subdivision of park sites is fully serviced with underground lines and individual site meters.

9. Electrical
   - Sites all serviced with underground power, pedestal transformers and individual meters.

10. Others
    - All sites serviced with underground telephone and cable TV lines.
    - Each site has 2 car asphalt paved parking pad off street.
    - Playground area and equipment provided for children.
    - Storage area compound provided for parking of holiday trailers and boats.

11. Landscaping
    - Park is fully landscaped with trees, shrubs, and well kept lawn area.

LOCATION AND AMENITIES

The mobile home park used in this study is the 4th phase of Mustang Acres. It is situated in the north end of the total park area and was constructed in 1978.

Access is very good with 64th Avenue bordering the west side and Galbraith Street bi-secting this phase. Gray Drive and 63rd Avenue border this phase on the east and south-east. All of these roads are good modern city roads constructed in the last 10 years and in excellent condition to handle heavy traffic flows.

All of the amenities described for the residential subdivision also apply for this park area.

In addition, the mobile home park provides playground areas, park areas, storage areas, mail service, etc. A corner convenience store and laundromat is also located within the park. Within the overall park are located 2 warehouse storage buildings and a park manager's permanent residence and administration office.

As a further advantage, this park is located within short communiting distances to the northwest, north and east industrial park areas of the city, where many mobile home owners are employed in the oil and gas service industries.

In summary, this park is very clean, orderly, neat and well maintained.

LAND VALUATION AND TAXES

For purposes of this study, phase 4 of this park has been used.

The area is comprised of Registered Subdivision Plan 782-2082 and encompasses:

- Block 13, Lot 3 containing 4.81 acres
  Block 8, Lot 7A containing 2.78 acres
  Total park area = 7.59 acres (3.07 ha)

The land area of the mobile home park **DOES NOT** contain Galbraith (70A) Street, but **DOES** contain all other park roads.

Land values have been calculated by the City of Red Deer as follows:

- General assessment in 1984 (employing 1979 Alberta Assessment Manual)
- On tax roll first time for 1985
- Income approach used
- Income and expenses for 1983

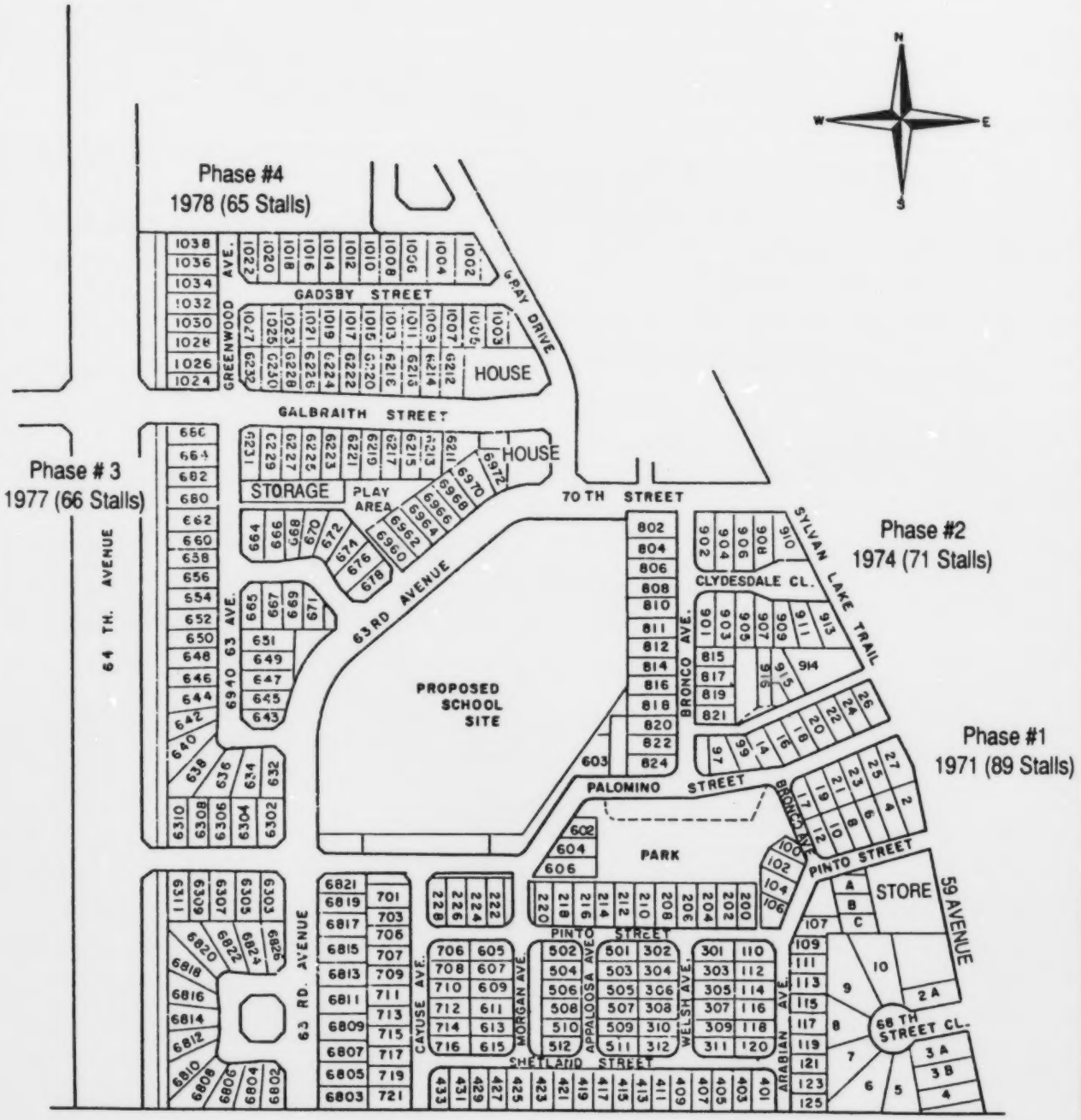
Base rate value was established at $40,900 per acre.

Because the actual total park is over 36 acres in size, the actual assessment rate was reduced by 10% for size. The portion used in this study as an example is considered small and does not warrant a reduction to the rate.

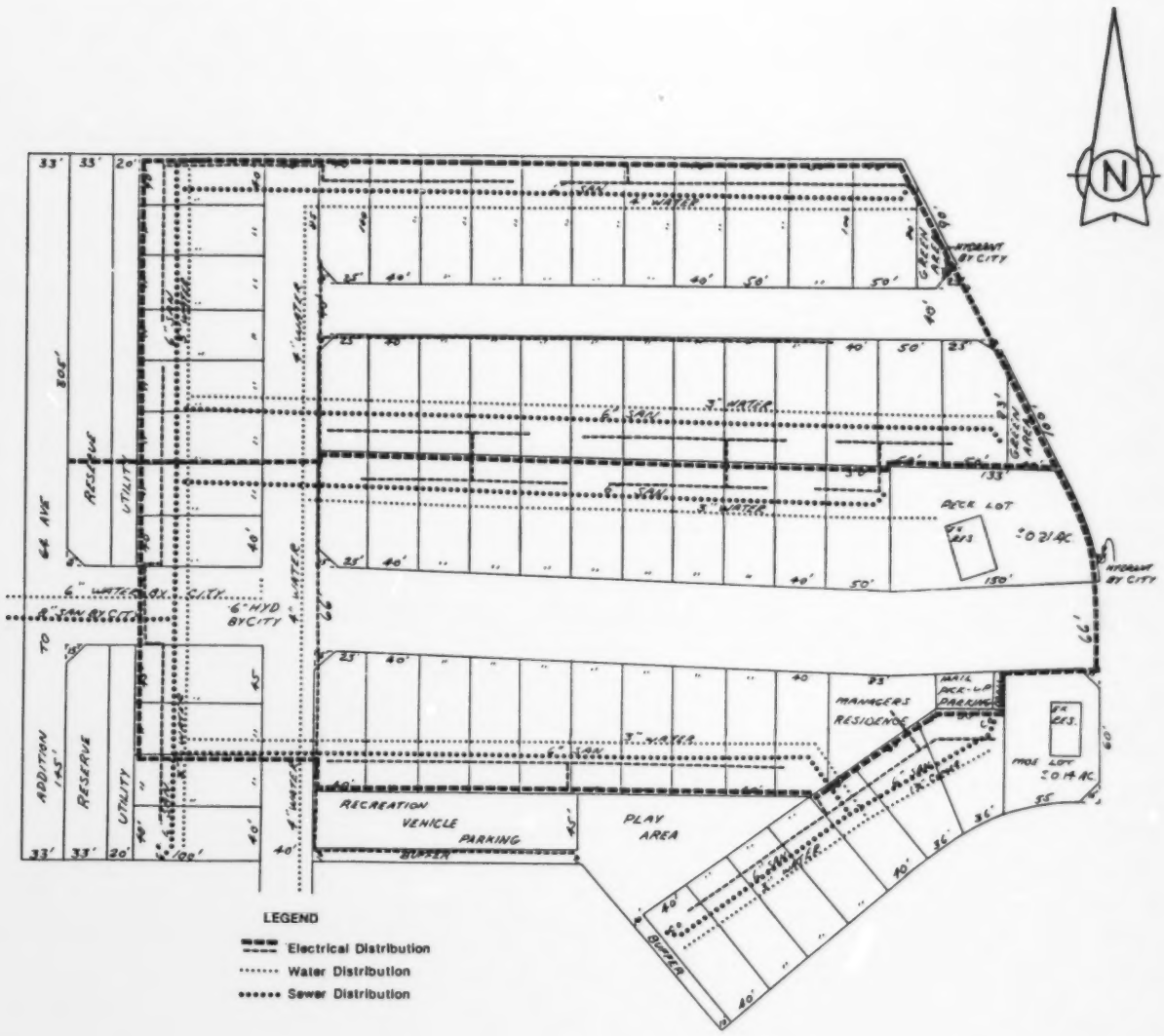
Revised assessment is:

Lot 3 = 4.81 acres × $40,900 × 65%	=	$127,874
Lot 7A = 2.78 acres × $40,900 × 65%	=	$ 73,906
Total adjusted land assessment	=	$201,780
1989 Residential mill rate	=	23.555 mills
1989 Taxes on land		**$4,752.93**

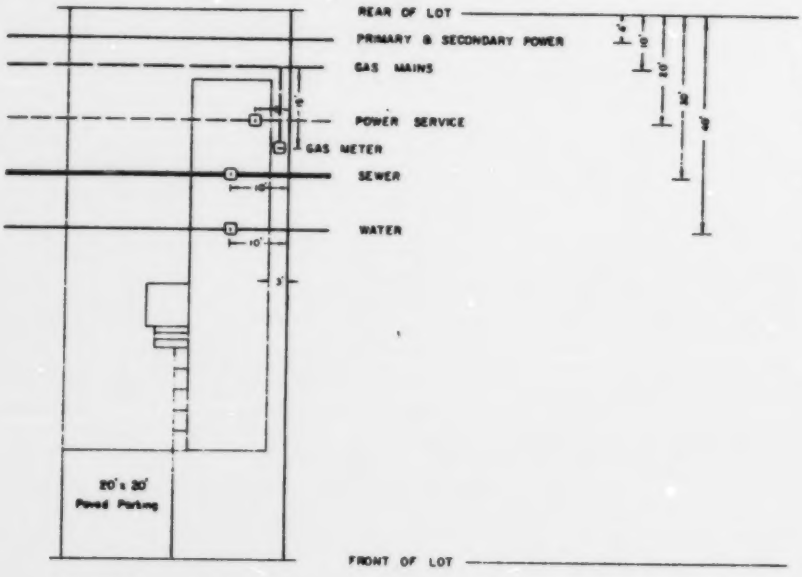
Mustang Acres Mobile Home Park



Total Stalls
1984 — 291

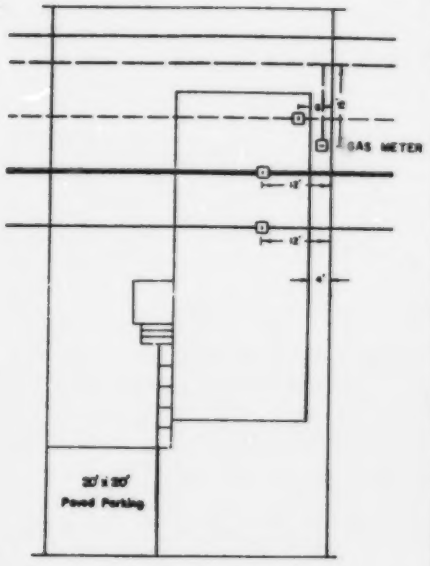


Lot Sizes and Services
Mustang Acres-4th Phase



TYPICAL LOT LAYOUT - 100' x 40'

14' x 68' Mobile Home



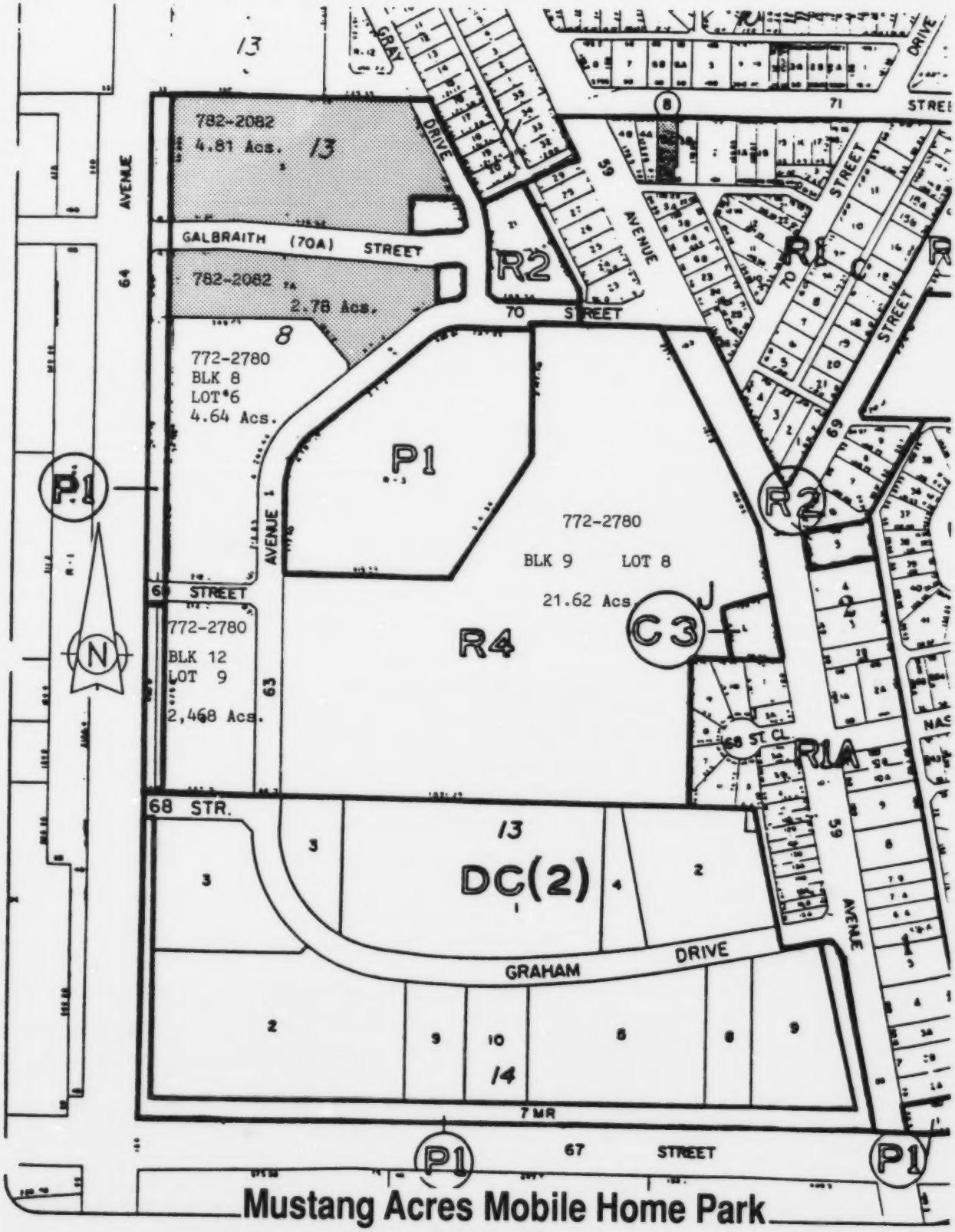
TYPICAL LOT LAYOUT - 100' x 50'

24' x 60' Double Wide Home

DATE	BY	REVISIONS

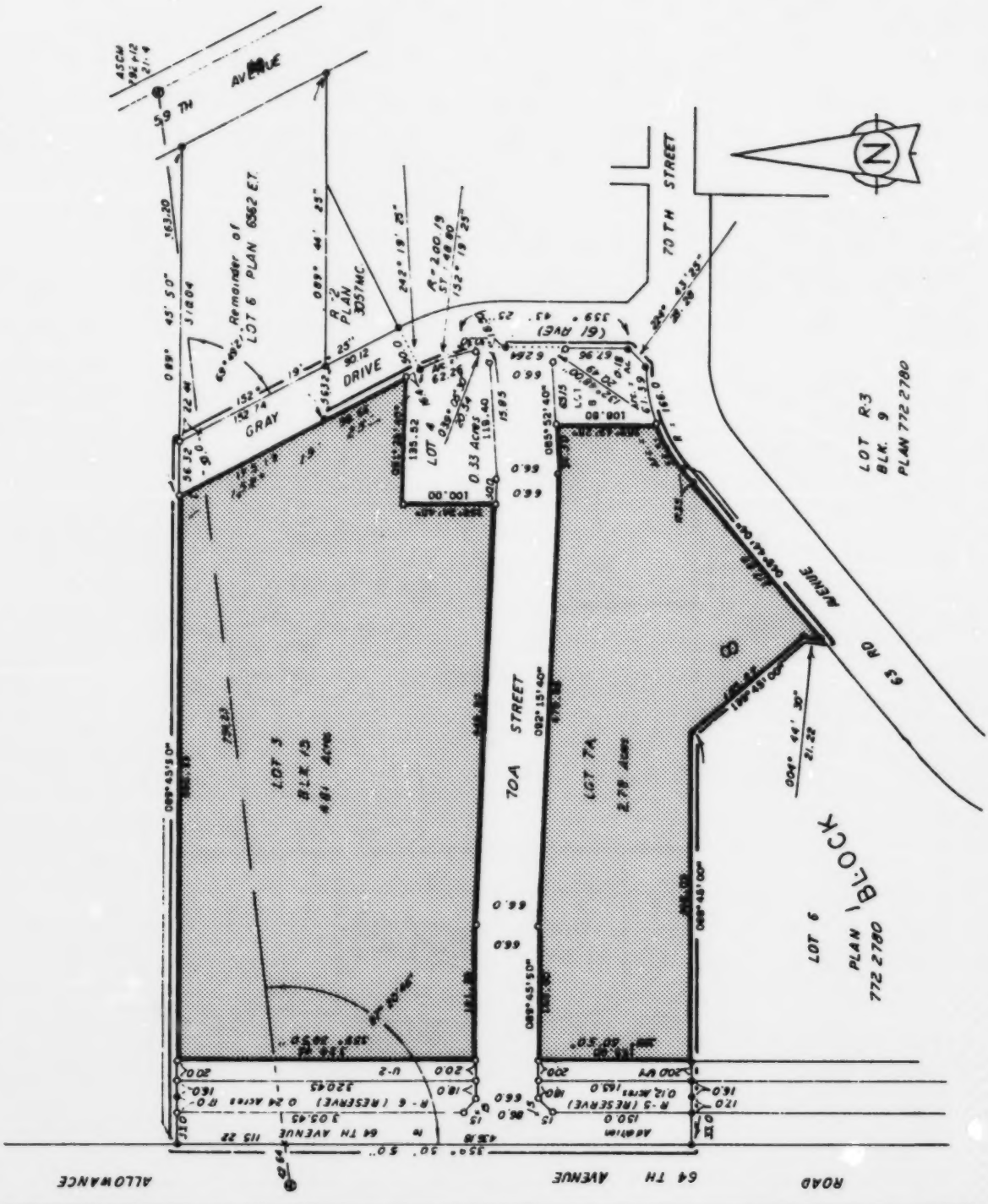
TYPICAL LOT SERVICING LAYOUTS

SCALE 1" = 15'	DATE	FILE No.	
DESIGN CLS	CHECKED	DRAWING NUMBER	
DRAWN MAJN	APPROVED		



Mustang Acres Mobile Home Park

R4 Zoning



Mustang Acres Mobile Home Park (4th Phase)-Study Example

SITE VALUATION AND TAXES

The mobile home park sites or stalls have been valued utilizing the following data and methods as prescribed:

1. Number of sites (stalls) — 65

2. Standard site size — 40 feet × 100 feet = 4000 square feet

3. Assessment base — 1979 Alberta Assessment Manual
   — Section 2.03.160

4. Park is rated for this study as a "GOOD - B CLASS" as follows:

General description	— typical sites are built for permanent occupancy and designed to accommodate larger mobile homes with driveways. The sites and services are comparable to a residential subdivision. — all sites have paved parking pads for 2 vehicles	
Engineering	— detailed plans, specifications, survey, fees, permits and bonds — B Class	= $ 360
Grading	— good site levelling for appearance, grading for drainage — B Class	= $ 590
Roadways	— good gravel base, good asphalt paving, extra parking areas — B Class	= $ 640
Parking & walks	— concrete or good asphalt — B Class	= $ 310
Sewer	— good service lines and mains (has 6 inch and 8 inch), good installation, etc. — B Class	= $ 850
Water	— good service lines, mains, valves and hydrants, has 3 inch, 4 inch and 6 inch — B Class	= $1,030
Gas	— service to all sites and buildings, individual meters — B Class	= $ 380
Electrical	— underground service, telephone, cable T.V., lighting — B Class	= $ 590
	Basic cost per site — B Class	**$4,750**

5. **Number of sites multiplier**

65 sites in park = 10/25 × 0.03 = 0.012
= 1.15 − 0.012 = 1.138 = 1.138
Adjusted value per site = $4,750 × 1.138 = **$5,405.50**

6. **Gross area per site multiplier**

Average site size = 40 feet × 100 feet = 4000 sq. ft.
4000 square feet (371.61m²) = 410 − 355 = 55
= 16.61/55 × 0.03 + 1.00 = 1.009
Adjusted value per site = $5,405.50 × 1.009 = **$5,545.15**

7. **Assessment**

65 sites × $5,454.15 = $354,520 = 1977 value
Depreciation: year built = 1978
year of general assessment = 1984
use 40 year age life
= 6/40 = 90% remaining

1977 depreciated value = $354,520 × 0.90 = $319,068

1983 base year modifier = $319,068 × 1.364 = $435,209

1984 assessment = $435,209 × 65% = $282,890

1989 residential mill rate = 23.555 mills

1989 taxes on sites **$6,663.47**

Mustang Acres Mobile Home Park

Mustang Acres Mobile Home Park

LICENSE FEES

All mobile homes and additions are valued and pay a license fee to a municipality if situated in a mobile home park or are situated on land owned by an owner other than the mobile home unit owner.

In the City of Red Deer, the mobile home units are licensed under Alberta Regulation 390/86 and in accordance with Schedule 1, Table 2, and the rates set forth, and Schedule 2 for depreciation.

The City of Red Deer employs a computer program to calculate assessment values and license fees for mobile homes. Examples of this system are shown on the next page for illustration purposes.

An example of the values used are as follows:

- 1st line is single or double wide and base or constant value
- 2nd line is unit area of manufactured home and rate per square feet
- 3rd line is G1, which means the area and value for an addition
- 4th line is G2, which means a second addition valuation
- 5th line is G3, which is the assessment for decks.

The prescribed 1988 residential mill rate used for license fee calculations for 1989 is 26.878 mills.

An example of the license fee roll is also shown for the mobile homes contained on the 65 sites of the park.

EXAMPLE OF MOBILE HOME LICENSE ASSESSMENT – PER SITE

ROLL NO. 36-10233
BAKER, JOHN & MARGARET

1023 MUSTANG ACRES
1023 7050 GRAY DR
RED DEER, AB T4P 1B9

CIVIC 1023 7050 GRAY DR

MEMO
ARRIVAL DATE 890303
DEPARTURE DATE

CURRENT BALANCE	0.00
ARREARS BALANCE	0.00
TOTAL BALANCE	0.00
PRORATE AMOUNT	350.65
EXEMPT DATE	890501
BASIC LICENSE	509.27
ED FOUND CREDIT	88.26
FEE ADJ.	0.00
ANNUAL FEE	421.01

CURRENT ASSESSMENT SPECIFICATIONS:

TRAILER: CLASS 1	SIZE 1	MANU.	YEAR	1985
ASSMT VALUE	18947.60	UNIT	AREA	1088
ASSMT EFFECTIVE	890303	G1	AREA	0
		G2	AREA	0
		G3	AREA	0

Y-T-D TRANSACTION HISTORY

DATE	REF. #	AMOUNT	TRANS. DESC.	CURRENT ADJ	ARREARS ADJ
03/23		350.65	MH LICENSE FEE	350.65	0.00
04/27		–350.65	PAYMENT	–350.65	0.00

LICENSE FEE

EFFECTIVE 890303

TRAILER CLASS: 1 TRAILER SIZE: SINGLE MANU. YEAR: 1985

ASSESSMENT VALUE, SINGLE WIDE				1760.00
PLUS:	UNIT AREA	1088 × 11.15		12131.2
PLUS:	G1 AREA	0 × 11.15		0.00
PLUS:	G2 AREA	0 × 6.25		0.00
PLUS	G3 AREA	0 × 4.65		0.00
		BASIC ASSESSMENT VALUE: —		13891.20

DEPRECIATION FACTOR: AGE - 1 DEPR. % 100.0
RESIDENTIAL BASE YEAR MODIFIER: 1.364
ASSESSMENT VALUE: — 18947.60 **

LICENSE FEE: TAX CLASS	TAXABLE VALUE	MILL RATE	AMOUNT LEVIED
MUNICIPAL	18947.60	0012.059	228.49
ED. FOUND	18947.60	0004.658	88.26
SCHOOL	18947.60	0010.144	192.20
HOSPITAL	18947.60	0000.017	0.32
TOTAL		26.878	509.27
DEDUCT ED. FOUND		0004.658	88.26
FEE ADJ.			0.00
ANNUAL LICENSE FEE		22.220	421.01 **

EXAMPLE OF MOBILE HOME LICENSE FEE ROLL

ROLL #	NAME AND ADDRESS	ARRIVAL DATE	DEPARTURE DATE	ASSESSMENT SPECIFICATIONS	
36 04110	PIDHIRNEY HARVEY W 411 MUSTANG ACRES 6834 - 59 AVE RED DEER, AB T4P 1C9	83 12 31		VALUE 13071 62 CLASS 1 SIZE 1 MANU YR 1976 UNIT AREA 896 G1 AREA G2 AREA 192 G3 AREA	ASSMT EFF 89/01/03 EXEMPT TO 84/06/01 TOTAL LIC 351 34 ED FDTN C 60 89 FEE ADJ 00 LIC FEE 290 45
CIVIC MEMO	411 6834 59 AVE				
36-04134	HITCHCOCK HARRY 413 6834 59 AVE RED DEER, AB T4P 1C9	35 08 12		VALUE 20690 24 CLASS 1 SIZE 1 MANU YR 1985 UNIT AREA 1120 G1 AREA G2 AREA 64 G3 AREA 112	ASSMT EFF 89/01/03 EXEMPT TO 85/11/01 TOTAL LIC 556 11 ED FDTN C 96 38 FEE ADJ 00 LIC FEE 459 73
CIVIC MEMO	413 6834 59 AVE				
36-04151	PERSSON L H 415 MUSTANG ACRES 6834 59 AVE RED DEER, AB T4P 1C9	83 12 31		VALUE 11154 81 CLASS 1 SIZE 1 MANU YR 1973 UNIT AREA 901 G1 AREA G2 AREA 96 G3 AREA 80	ASSMT EFF 89/01/03 EXEMPT TO TOTAL LIC 299 82 ED FDTN C 51 96 FEE ADJ 00 LIC FEE 247 86
CIVIC MEMO	415 6834 59 AVE				
36-04172	LATIFF JEANNINE 417 6834 59 AVE RED DEER, AB T4P 1C9	85 05 01		VALUE 14259 11 CLASS 1 SIZE 1 MANU YR 1978 UNIT AREA 952 G1 AREA G2 AREA 85 G3 AREA	ASSMT EFF 89/01/03 EXEMPT TO 85/07/01 TOTAL LIC 383 25 ED FDTN C 66 42 FEE ADJ 00 LIC FEE 316 83
CIVIC MEMO	417 6834 59 AVE				
36-04191	DICKSON PAT 419 6834 59 AVE RED DEER, AB T4P 1C9	85 10 19		VALUE 17820 45 CLASS 1 SIZE 1 MANU YR 1981 UNIT AREA 952 G1 AREA 102 G2 AREA G3 AREA 216	ASSMT EFF 89/01/03 EXEMPT TO 85/12/01 TOTAL LIC 478 98 ED FDTN C 83 01 FEE ADJ 00 LIC FEE 395 97
CIVIC MEMO	419 6834 59 AVE				
36-04211	RITCHIE HELEN & BRECK 421 6834 59 AVE RED DEER, AB T4P 1C9	85 09 27		VALUE 13764 90 CLASS 1 SIZE 1 MANU YR 1974 UNIT AREA 896 G1 AREA 210 G2 AREA G3 AREA 161	ASSMT EFF 89/01/03 EXEMPT TO 85/11/01 TOTAL LIC 369 97 ED FDTN C 64 12 FDD ADJ 00 LIC FEE 305 85
CIVIC MEMO	421 6834 59 AVE BRECK RITCHIE CO OWNER				

VALUATIONS AND LICENSE FEES – 1989

SITE NUMBER	UNIT AGE	UNIT SIZE/SF	TOTAL UNIT VALUE	BASIC LICENSE FEE
680	1977	908	$ 13,419	$ 360.69
682	1977	992	14,012	376.63
684	1983	1120	19,388	521.10
686	1975	988	12,373	332.56
1002	1978	1330	22,957	617.03
1003	1977	1344	22,240	597.79
1004	1977	1495	23,905	642.54
1005	1979	908	13,616	365.99
1006	1979	968	15,022	403.77
1007	1986	1008	17,731	476.57
1008	1983	1250	20,555	552.47
1009	1983	1008	17,022	457.51
1010	1978	924	13,784	370.50
1011	1978	1004	14,981	402.64
1012	1975	1112	13,969	375.46
1013	1978	1084	15,501	416.62
1014	1978	1087	16,332	438.97
1015	1980	1009	16,465	442.57
1016	1976	1064	14,127	379.69
1017	1979	1008	14,894	400.32
1018	1981	1076	17,939	482.16
1019	1975	998	13,138	353.14
1020	1983	1035	17,416	435.66
1021	1978	1086	15,981	429.53
1022	1978	908	14,004	376.39
1023	1985	1088	18,948	509.27
1024	1974	908	12,019	323.05
1025	1973	966	11,767	316.28
1026	1977	1003	13,121	352.66
1027	1974	886	10,395	279.41
1028	1978	987	15,239	409.58
1030	1977	959	13,860	372.54
1032	1978	1016	15,139	406.91
1034	1973	978	11,283	303.27
1036	1977	1042	14,666	394.21
1038	1969	912	7,975	214.36
6211	1977	1077	19,546	525.34
6212	1977	1398	23,347	627.52
6213	1976	840	11,230	301.84
6214	1978	928	14,055	377.77
6215	1986	921	16,814	451.93

VALUATIONS AND LICENSE FEES – 1989 (Continued)

SITE NUMBER	UNIT AGE	UNIT SIZE/SF	TOTAL UNIT VALUE	BASIC LICENSE FEE
6216	1978	1239	$ 16,861	$ 391.83
6217	1981	1060	18,405	494.68
6218	1977	1180	15,876	426.74
6219	1977	908	12,482	335.48
6220	1979	880	13,259	356.38
6221	1977	908	13,185	354.39
6222	1974	1111	13,864	372.65
6223	1976	684	11,951	321.21
6224	1975	1105	14,677	394.48
6225	1976	1048	13,571	364.75
6226	1978	960	14,006	376.44
6227	1976	1018	12,759	342.93
6228	1979	908	14,671	394.34
6229	1977	1006	14,401	387.06
6230	1977	1107	15,496	416.49
6231	1977	880	12,466	335.07
6232	1977	916	12,575	338.01
6960	1977	1231	18,574	499.25
6962	1977	1031	13,922	374.21
6964	1977	1031	14,860	399.40
6966	1989	1216	20,894	561.60
6968	1977	880	12,154	326.67
6970	1977	1152	20,045	538.76
6972	1977	1330	21,271	571.73
TOTALS — 1989 **65 Units**			**$1,002,400**	**$26,848.32**

SUMMARY OF REVENUE

Location — City of Red Deer
— Pt. SW 29-38-27 W4

Legal — Plan 782-2082
Block 13, Lot 3
Block 8, Lot 7A

Total area — 7.59 acres (3.07 ha)

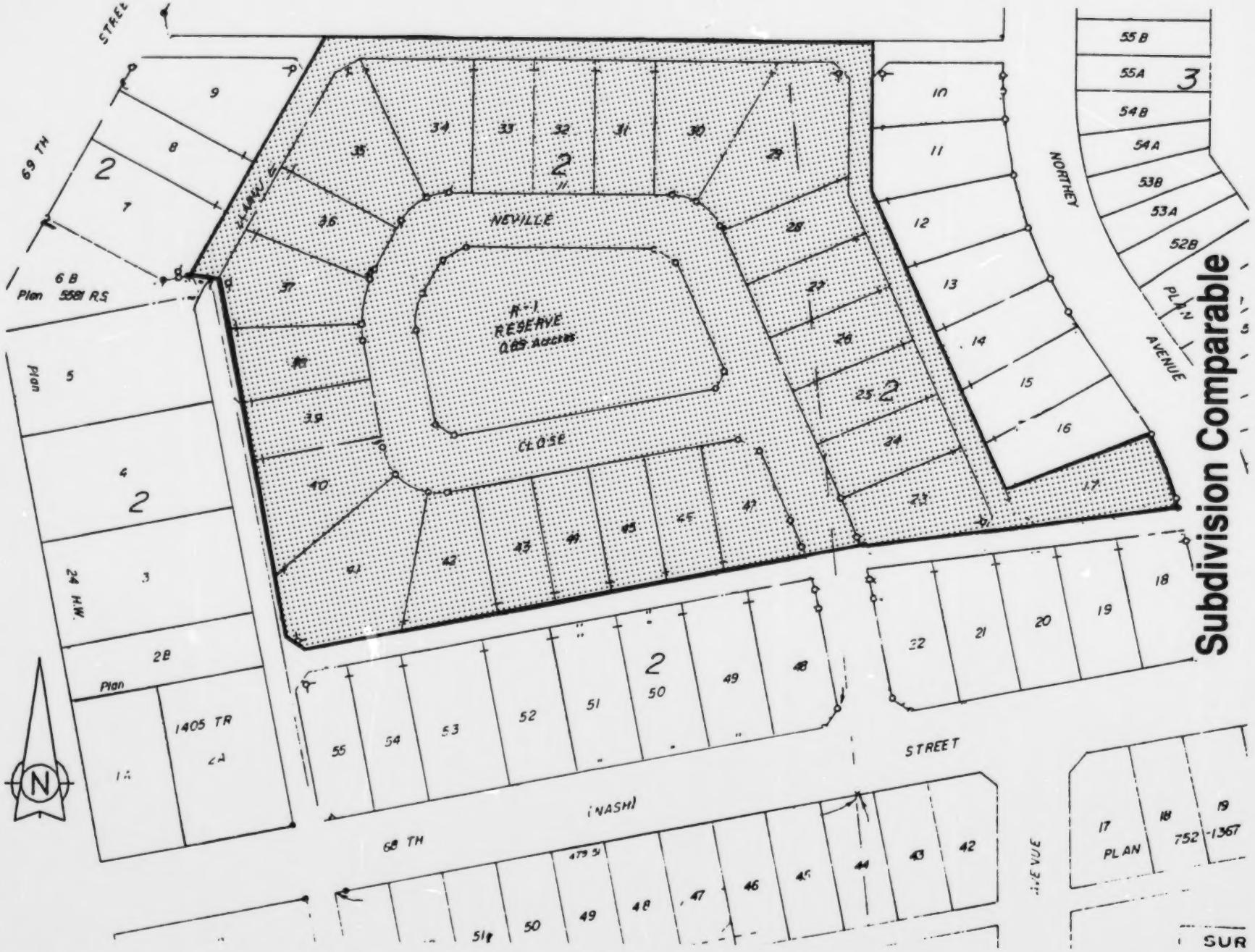
Number of sites (stalls) — 65

Number of mobile homes — 65

Total taxable land area — 7.59 acres

Total taxable land assessment	$ 201,780.00
Total land taxes — 1989	$ 4,752.93
Total sites assessment	$ 282,890.00
Total sites taxes — 1989	$ 6,663.47
Total mobile homes valuation	$1,002,400.00
Total license fees — 1989	$ 26,848.32
Total taxable assessment of park	$1,487,070.00
Total 1989 taxes and license fees for mobile home park	**$ 38,264.72**

VALUATION OF NEVILLE CLOSE RESIDENTIAL SUBDIVISION COMPARABLE


STEEL
69 TH
6 B
Plan 5581 R.S
Plan 5
4
2
24 H.W.
3
2B
Plan
1405 TR
NEVILLE
CLOSE
R-1
RESERVE
0.65 Acres
NORTHEY
AVENUE
PLAN
55 B
55A
3
54B
54A
53B
53A
52B
STREET
(NASH)
68 TH
PLAN
752
1367
SUR
Subdivision Comparable

CONVENTIONAL RESIDENTIAL SUBDIVISION COMPARABLE

SUBDIVISION DATA

Location — City of Red Deer
— Pt. SW 29 - 38 - 27 W4

Legal — Plan 762-2308
Block 2, Lot 17,
Lots 23-47 and Lot R-1

Total area — 7.64 acres (3.09 ha)

Number of lots — 26

Lot R-1 is a city park close area

Zoning — R1 and P1

SERVICES

Area is fully serviced and was constructed in 1976-77.

1. Full city engineering and planning.

2. Area has grading, levelling, stripping and drainage.

3. Roads
   - Nash Street (arterial) — 36 feet wide, 12 inch base, 2 inch asphalt pavement top.
   - Neville Close (interior) — 32 feet wide, 8 inch base, 2 inch asphalt pavement top.
   - Alleys — 20 feet wide, sloped and gravelled.

4. Curbs, gutters & sidewalks
   - Standard City specifications.
   - Curb is concrete rolled monolithic with integrated catch basins.
   - Sidewalk is standard mono concrete.
   - Total width is 5 feet (curb and sidewalk).

5. Water lines
   - Main trunk lines are 8 inch and 12 inch.
   - Mains in alleys are 6 inch and 8 inch.
   - Fire hydrants are 6 inch lines.
   - Standard hook-up lines and valves.

6. Sanitary Sewer
   - Major trunk is 30 inch concrete.
   - Mains in alleys are 8 inch clay tile with manholes.
   - Standard hook-up lines.

7. Storm sewer
   - Major trunk is 18 inch concrete with manholes.
   - Mains are 12 inch clay tile with concrete catch basins.

8. Gas
   - Subdivision is fully serviced with underground gas mains and lines.

9. Electrical
   - Subdivision is fully serviced by City owned power distribution system.
   - System is totally underground with pedestal transformers.

10. Others
    - Subdivision is totally serviced with underground telephone (AGT) and cable television hook-ups.

LOCATION AND AMENITIES

Neville Close residential area is part of the large Normandeau residential subdivision of the city of Red Deer.

It is located in the northwest area of the city, being part of the SW Quarter of Section 29, Township 38, Range 27 West of the 4th Meridian.

This area is bounded on the west side by 59th Avenue, a major traffic artery, and immediately on the west side of this avenue is located Mustang Acres Mobile Home Park.

The south boundary is Nash Street, an east-west traffic artery leading to Gaetz Avenue, the main north-south commercial artery of the city.

The residential area is approximately 4 blocks north of 67th Street (Highway #11), a major east-west artery, ¾ of a mile from Highland Green Shopping Centre, 5 blocks from a new centre under construction, and ¾ of a mile from the North Hill Mall, a regional shopping centre. A city fire hall is located 3 blocks to the south. It also is approximately 3 miles to the city centre. A major recreation centre and schools are located 3 blocks south also.

LAND AREA ALIGNMENT

The original area of land in the subdivision is 12.41 acres (5.022 ha). It has been reduced in size to more closely correspond to the area of the subject mobile home park in this study.

This area is outlined on a plan of survey and the registered subdivision plan known as Plan 762-2308, Block 2.

The adjusted area encloses 26 lots and contains:

- Lot 17
- Lots 23 to 47 inclusive
- Reserve Lot R-1
- Neville Close, north and west portion from Lots 23 to 47
- portion of lane abutting Lots 7, 8 and 9
- lane on north side of Block 2
- lane abutting east side of Lots 23 to 29

Areas deleted for adjustment of size are:

• Lots 7, 8 and 9 and north alley	= 0.7430 acres
• Lots 48 to 55 — 66162.29 SF	= 1.5188 acres
• less south alley — 15517.0 SF	= 0.3562 acres
• less 4 cut-offs — 450.0 SF	= 0.0103 acres
• Lots 18 to 22 — 36837.15 SF	= 0.8456 acres
• less portion of Neville Close — 6880 SF	= 0.1579 acres
• Lots 10 to 16 — 49569.39 SF	= 1.1380 acres
Total area deleted	= 4.7698 acres

Therefore the reduced size or adjusted area of the subdivision land to compare with the subject mobile home park is 7.64 acres (3.09 ha).

LAND VALUATION AND TAXES

Land values are based upon 1983 market land sales in the city of Red Deer for the 1984 general assessment.

Assessment values represent 65% of average market and were entered for 1985 taxation. 1989 Residential mill rate is 23.555 mills.

LAND	AREA/SF	ASSESSMENT	TAXES
Lot 17	7808.87	$ 17,680	$ 416.45
Lot 23	7949.71	17,680	416.45
Lot 24	6600.00	16,520	389.13
Lot 25	6600.00	16,520	389.13
Lot 26	6480.00	17,550	413.89
Lot 27	6480.00	17,550	413.89
Lot 28	6661.00	18,170	427.99
Lot 29	13630.86	23,050	542.94
Lot 30	9982.65	21,840	514.44
Lot 31	6875.00	19,500	459.32
Lot 32	6875.00	19,500	459.32
Lot 33	6875.00	19,500	459.32
Lot 34	9251.24	20,850	491.12
Lot 35	10537.00	21,210	499.60
Lot 36	7259.36	19,620	462.15
Lot 37	8863.05	19,750	465.21
Lot 38	7373.98	19,620	462.15
Lot 39	6600.00	16,520	389.13
Lot 40	9152.81	18,230	429.41
Lot 41	13952.74	21,430	504.78
Lot 42	7996.78	18,420	433.88
Lot 43	6360.00	17,550	413.39
Lot 44	6240.00	16,940	399.02
Lot 45	6240.00	16,940	399.02
Lot 46	6360.00	17,550	413.39
Lot 47	7518.76	20,100	473.46
TOTALS — 1989 **26 Lots**		**$489,790**	**$11,536.98**

- A base rate of $3.91 per square foot was used for residential land in this area of the city. Adjustments were made for size, location, shape and other amenities or services.

  Standard residential lot size in the area is 55 feet wide × 110 feet deep, or a total lot area of 6050 square feet.

- Lot R-1 reserve is 0.89 acres in size.
  Value rate used is $30,800 per acre.
  Assessment value is $17,820 as exempt status.
  No taxes or grants collected from this land.

RESIDENCE VALUATION AND TAXES

All homes in the subdivision were constructed in 1977 or 1978. Assessment values have been calculated by the application of the 1979 Alberta Assessment Manual. Values represent the assessment manual base year of 1977 factored upward by the residential base year modifier for 1984 or 1.364, 65% used for assessment purposes after depreciation, and placed on the tax roll for the first time for the 1985 taxation year.

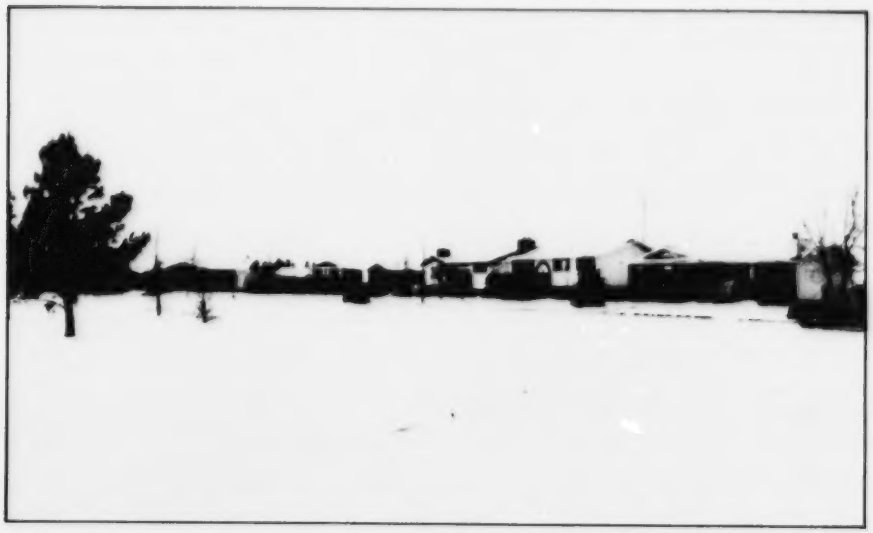
The residential mill rate for the City of Red Deer for 1989 taxes is 23.555 mills.

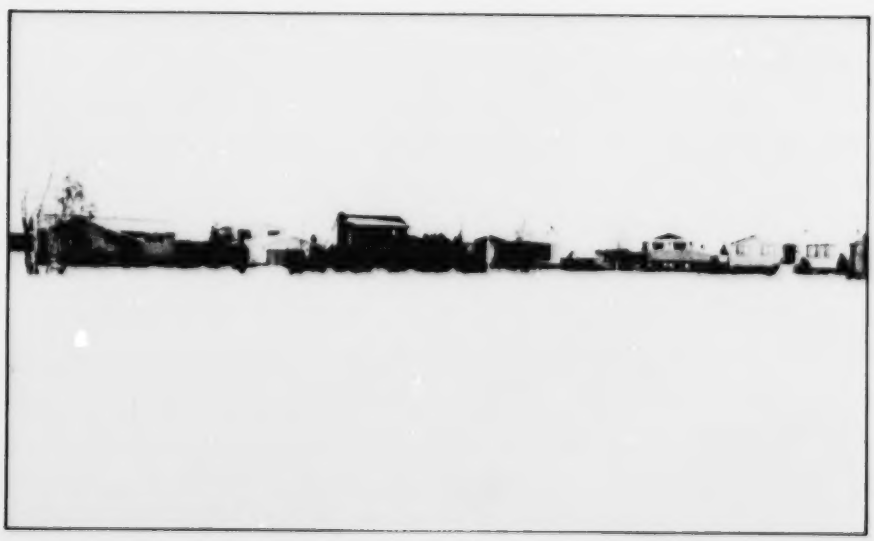
To be totally comparable with the subject mobile home park, all assessments in the subdivision firstly represent house assessments only, since no garages are allowed or found on the mobile home park stalls. Therefore, the assessments and taxes will represent and compare residence to residence. A second chart will include garages in the assessment and tax totals providing total sub-division values.

All houses in the subdivision are of average "C" quality construction and finish, typical of a project home. Construction types are mostly bungalows, bi-level or split level, with only one 2 storey house. Average size of the homes is 1054 square feet or 98.0 m^2, with some smaller and a few larger in area, again providing a good comparison with the mobile homes found in the mobile home park.

Neville Close Residential Subdivision

Neville Close Residential Subdivision





RESIDENCE ONLY

LOT	HOUSE TYPE	CLASS	SIZE/SF	HOUSE ONLY ASSESSMENT	HOUSE ONLY TAXES
17	Bungalow	013C	1131	$ 30,230	$ 712.07
23	Bungalow	013C	1008	32,170	757.76
24	Bi-Level	013C	1024	32,040	754.70
25	Bungalow	013C	1038	30,030	707.36
26	Bungalow	013C	1063	33,060	778.73
27	Split Level	014C	1242	40,840	961.99
28	Split Level	014C	1077	37,340	879.54
29	Split Level	014C	1043	36,830	867.53
30	Bungalow	013C	1538	41,050	966.93
31	Bungalow	013C	1077	37,190	876.01
32	Bi-Level	013C	1108	38,710	911.81
33	Bi-Level	013C	1170	43,450	1023.46
34	Bungalow	013C	1166	38,100	897.45
35	Split Level	014C	1043	36,940	870.12
36	Bungalow	013C	1254	41,320	973.29
37	2 Storey	017C	1394	34,700	817.36
38	Split Level	014C	1350	46,570	1096.96
39	Bi-Level	013C	1019	36,780	866.35
40	Bungalow	013C	1125	36,020	848.45
41	Split Level	014C	1108	43,730	1030.06
42	Bungalow	013C	1274	37,700	888.02
43	Bi-Level	013C	1117	38,880	915.82
44	Bungalow	013C	1038	32,910	775.20
45	Bungalow	013C	1038	30,720	723.61
46	Bungalow	013C	1059	33,560	790.51
47	Bi-Level	013C	1117	36,300	855.05
TOTALS — 1989				$ 957,170	$22,546.14

TOTAL RESIDENCE AND GARAGE

LOT	HOUSE ASSESSMENT	GARAGE ASSESSMENT	TOTAL ASSESSMENT	TOTAL TAXES
17	$ 30,230	$ 0	$ 30,230	$ 712.07
23	32,170	3,760	35,930	846.33
24	32,040	0	32,040	754.70
25	30,030	4,300	34,330	808.64
26	33,060	4,360	37,420	881.43
27	40,840	4,940	45,780	1,078.35
28	37,340	3,310	40,650	957.51
29	36,830	7,460	44,290	1,043.25
30	41,050	0	41,050	966.93
31	37,190	0	37,190	876.01
32	38,710	4,420	42,950	1,011.69
33	43,450	3,730	47,180	1,111.32
34	38,100	4,140	42,240	994.96
35	36,940	2,330	39,270	925.00
36	41,320	5,550	46,870	1,104.02
37	34,700	760	35,460	835.26
38	46,570	6,130	52,700	1,241.35
39	36,780	3,690	40,470	953.27
40	36,020	5,530	41,550	978.71
41	43,730	4,550	48,280	1,137.24
42	37,700	3,970	41,670	981.54
43	38,880	0	38,880	915.82
44	32,910	3,690	36,600	862.11
45	30,720	3,810	34,530	813.35
46	33,560	0	33,560	790.51
47	36,300	4,010	40,310	949.50
TOTALS 1989	$957,170	$84,260	$1,041,430	$24,530.87

SUMMARY OF REVENUES

Location — City of Red Deer
— Pt. SW 29-38-27 W4

Legal — Plan 782-2308
Block 2
Lot 17, Lots 23 - 47 inclusive
Neville Close Residential Subdivision

Number of lots — 26

Number of houses — 26

Number of garages — 20

Total area — 7.64 acres (3.09 ha)

Zoning — R1

Amenities — Full underground and surface services

Age of homes — 1977 and 1978

Total taxable land assessment	$ 489,790.00
Total land taxes — 1989	$ 11,536.98
Total taxable homes assessment	$ 957,170.00
Total home taxes — 1989	$ 22,546.14
Total taxable garage assessment	$ 84,260.00
Total garage taxes — 1989	$ 1,984.74
Total taxable assessment of subdivision	$1,531,220.00
Total 1989 taxes of subdivision	**$ 36,067.86**

ANALYSIS AND CONCLUSIONS

SUMMARY OF COMPARISON FINDINGS

COMPARISON BASE	RESIDENTIAL SUBDIVISION	MOBILE HOME PARK
Total area	7.64 acres 3.09 ha	7.59 acres 3.07 ha
Date of construction	1977	1978
Number of lots/sites (stalls)	26 lots	65 sites
Number of improvements	26 houses 20 garages	65 mobiles 0 garages
Number of units per acre	3.40	8.56
Age of improvements	1977-78	1974-79
Taxable land assessment	$ 489,790.00	$ 201,780.00
Total land taxes — 1989	**$ 11,536.98**	**$ 4,752.93**
Land taxes — per acre	$ 1,510.08	$ 626.21
Average land taxes — per lot/site	$ 443.73	$ 73.12
Total sites assessment	$ 0	$ 282,890.00
Total sites taxes — 1989	**$ 0**	**$ 6,663.47**
Site taxes — per acre	$ 0	$ 877.93
Site taxes — per lot/site	$ 0	$ 102.51
Total house assessment — 1989	$ 957,170.00	$ 0
Total mobile valuation — 1989	$ 0	$1,002,400.00
Total house taxes — 1989	$ 22,546.14	$ 0
Total mobile license fees — 1989	$ 0	$ 26,848.32
Total garage assessment — 1989	$ 84,260.00	$ 0
Total garage taxes — 1989	$ 1,984.74	$ 0
Total building assessment — 1989	$1,041,430.00	$1,002,400.00
Total building taxes/fees — 1989	**$ 24,530.88**	**$ 26,848.32**
Total taxable valuation	$1,531,220.00	$1,487,070.00
Total revenue — 1989	$ 36,067.86	$ 38,264.72
Total revenue — per acre	$ 4,720.92	$ 5,041.47
Total revenue — per living unit	$ 1,387.23	$ 588.69

ANALYSIS OF RESIDENTIAL SUBDIVISION

- Land areas are almost identical in size.
- Total assessed value of buildings is $39,030 greater. This is due to several advantages such as basement finish, greater finished floor areas and construction of garages.
- If garages are deleted, to compare residence to residence (mobile home), then the subdivision assessment is reduced $84,260 to $1,446,960. This would be $40,110 less than the mobile home park. Taxes in turn would be $1,984.74 less.
- Land assessment of the subdivision is $489,790 compared to only $201,780 for the mobile home park. However, when the site values for stalls are added for an additional $282,890, the full comparison is $484,670. The subdivision land value is only $5,120 higher for only an additional $120.60 in tax revenues.
- The land assessment is for 26 residential lots only and no assessment or tax revenue is received for streets, alleys and park areas forming parts of the subdivision plan area.

ANALYSIS OF MOBILE HOME PARK

- Land area is almost identical in size.
- All land (7.59 acres) within the mobile home park, including streets, alleys, parks or green areas, playgrounds, storage areas, etc. is assessable and taxable.
- Mobile home parks generate 8.5 to 10.5 lots per acre, while a residential subdivision only generates 3.5 lots per acre on the average. This park has 8.56 lots compared to the comparable subdivision having only 3.4 lots.
- The mobile home park areas used in this example does not have any additional taxable buildings. Normally a mobile home park will produce more assessment and tax revenue by containing a manager's or owner's residence, garage, storage buildings, laundromat building and recreation/meeting buildings, etc.
- The assessment and license revenue generated by this mobile home park example is considered to be low. The mobile homes found in this example are considered in the majority to be small in size (880 to 1040 SF — 41 of 65 trailers = 63%) compared with newer models which generate more license revenue.
- The assessment and license revenue generated by this mobile home park example is also low due to the age of the mobile homes found. As outlined in the preceding tables, ages vary from 1969 to 1989, with the majority of trailers, 51 out of 65, falling into the age bracket of 1974 to 1979. Thus 78% of the mobile homes found in this example are receiving high depreciation of 45% to 36%.
- Newer constructed mobile home parks generally have restrictions as to minimum age and minimum size, both resulting in greater license revenues.
- The City of Red Deer is presently conducting a general reassessment of all properties with values derived by the application of the new 1984 Alberta Assessment Manual. As a result, mobile homes will also be subject to a license fee valuation based on Table 1, Schedule 1 of Alberta Regulation 390/86, the first license year after the year in which a general assessment is made. Using the specifications found on the sample license fee printout, the following would occur:

Mobile home — single wide, Class 1, Size 1, Built 1985	
Area — 1088 square feet × $13.94	= $15,166.72
Constant value	= 1,900.00
Basic assessment value	= $17,066.72
Depreciation factor: age 5 = 84% remaining	
Residential base year modifier — assume 1.25 total valuation	= $21,333.40

Based upon the present print-out value of $18,947.60, the new valuation for the same trailer would be approximately 12.6% higher. However, the mill rate may decrease proportionately.

- The mobile home park land assessment and sites assessment produce tax revenues generated by the application of a current residential mill rate of 23.555 mills for taxation year 1989. On the other hand, license fee revenues from the trailers are calculated by appling the previous years' (1988) residential mill rate of 26.878 mills, thereby producing greater revenue than the residential subdivision. This formula is applied according to Alberta Regulation 390/86, Section 2.

- On the other hand, if the mobile home valuation had the same or current year mill rate applied (23.555) as the subdivision improvements, the revenues produced would be thus:

Total mobile home units valuation $1,002,400 × 26.878 mills (1988)	= $ 26,848.32
Total mobile home units valuation $1,002,400 × 23.555 mills (1989)	= $ 23,611.53
Revenue reduction	= $ −3,236.79

- Therefore, the direct comparison would result as follows:

Residential subdivision revenues			
Land	—	$11,536.98	
Houses	—	$22,546.14	
Garages	—	$ 1,984.74	$ 36,067.86
Mobile home park revenues			
Land	—	$ 4,752.93	
Sites	—	$ 6,663.47	
Mobile Homes	—	$23,611.53	$ 35,027.93

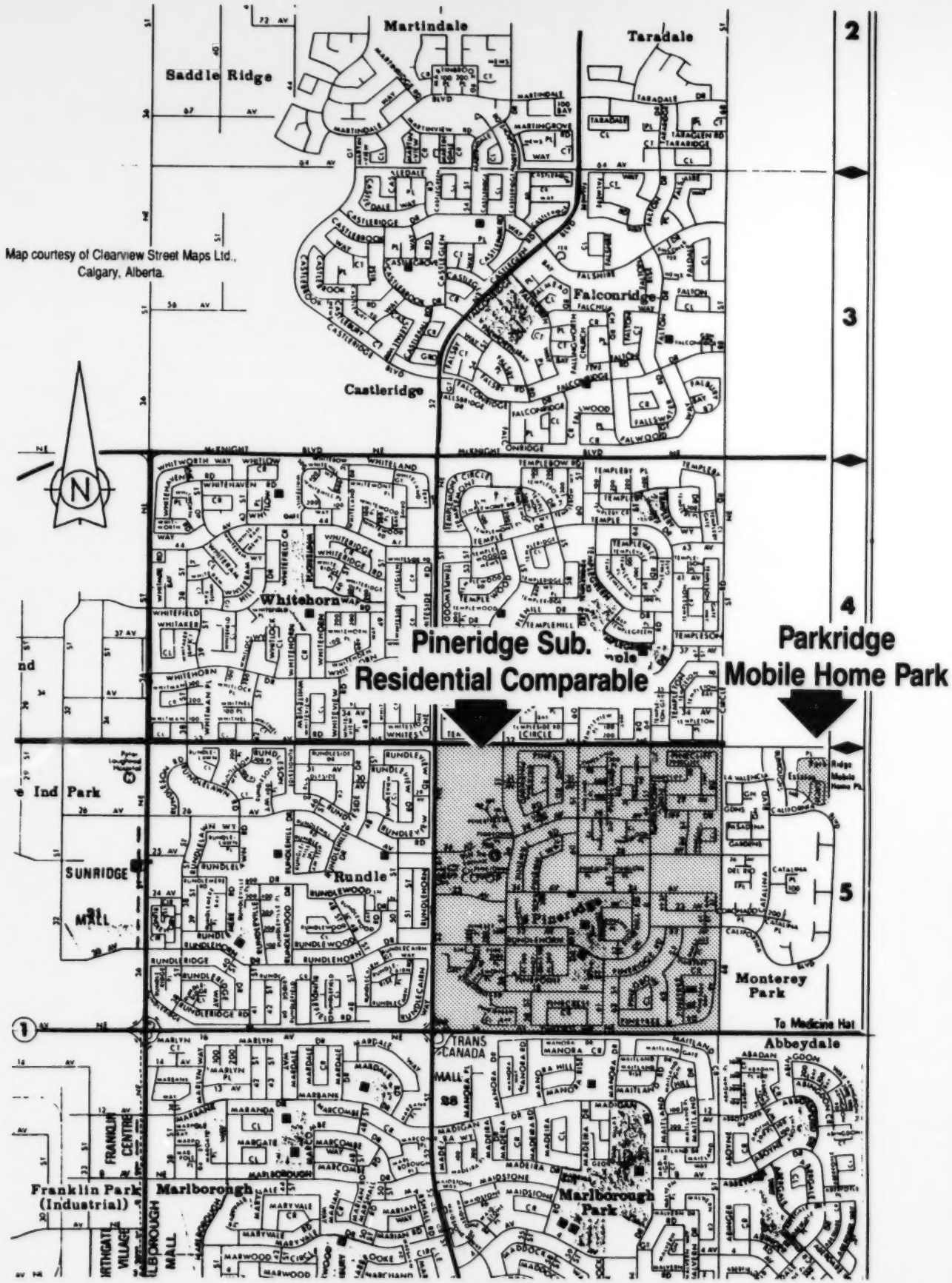
The mobile home park would then produce $1039.93 less in revenues or 2.9% lower.

CONCLUSION

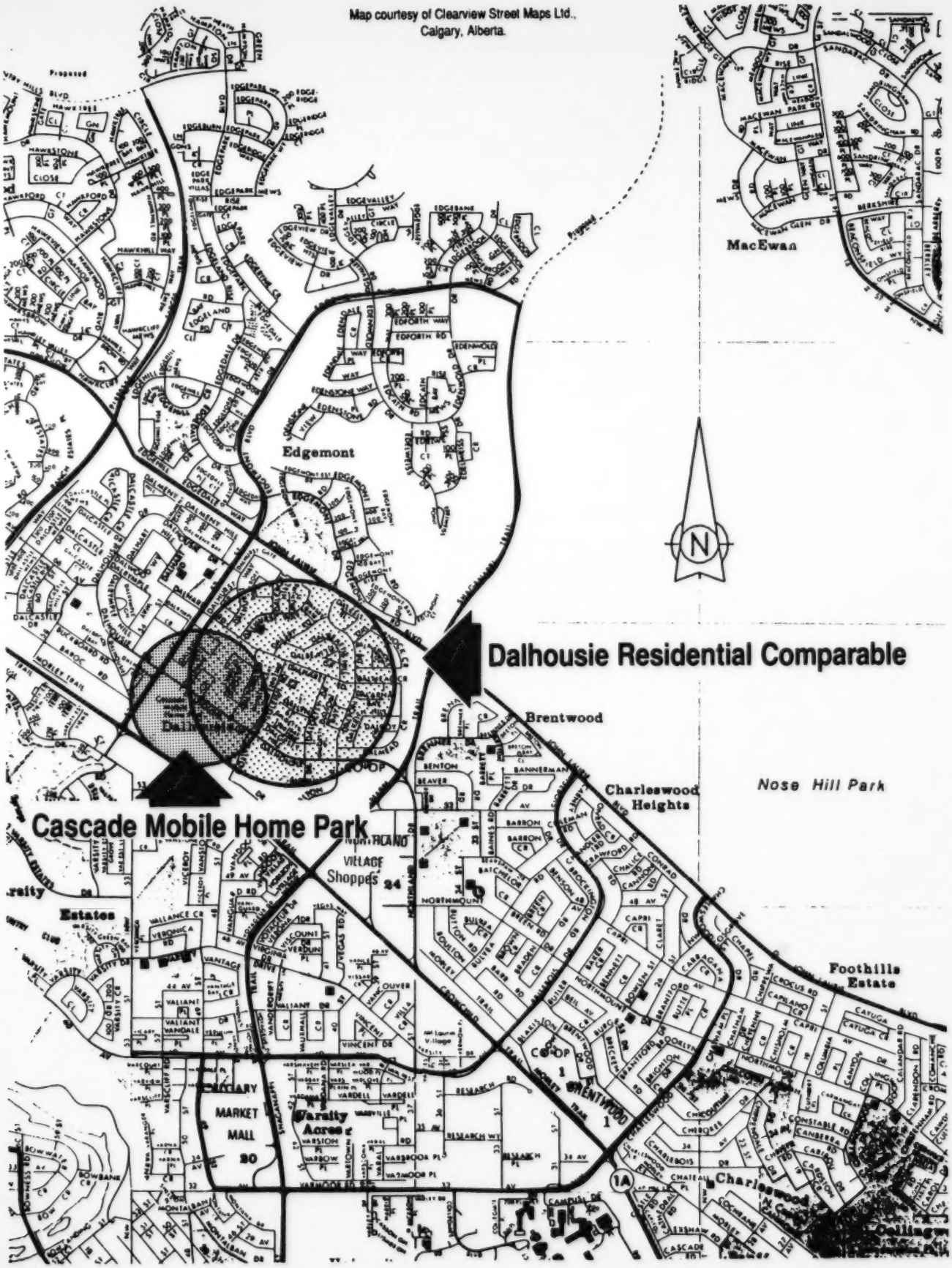
In final summation, for the City of Red Deer study example, the mobile home park would pay revenues in 1989 of $38,264.72 which is 6.1% higher in revenues than a comparable conventional residential subdivision.

MOBILE HOME PARK COMPARISON TAX STUDY

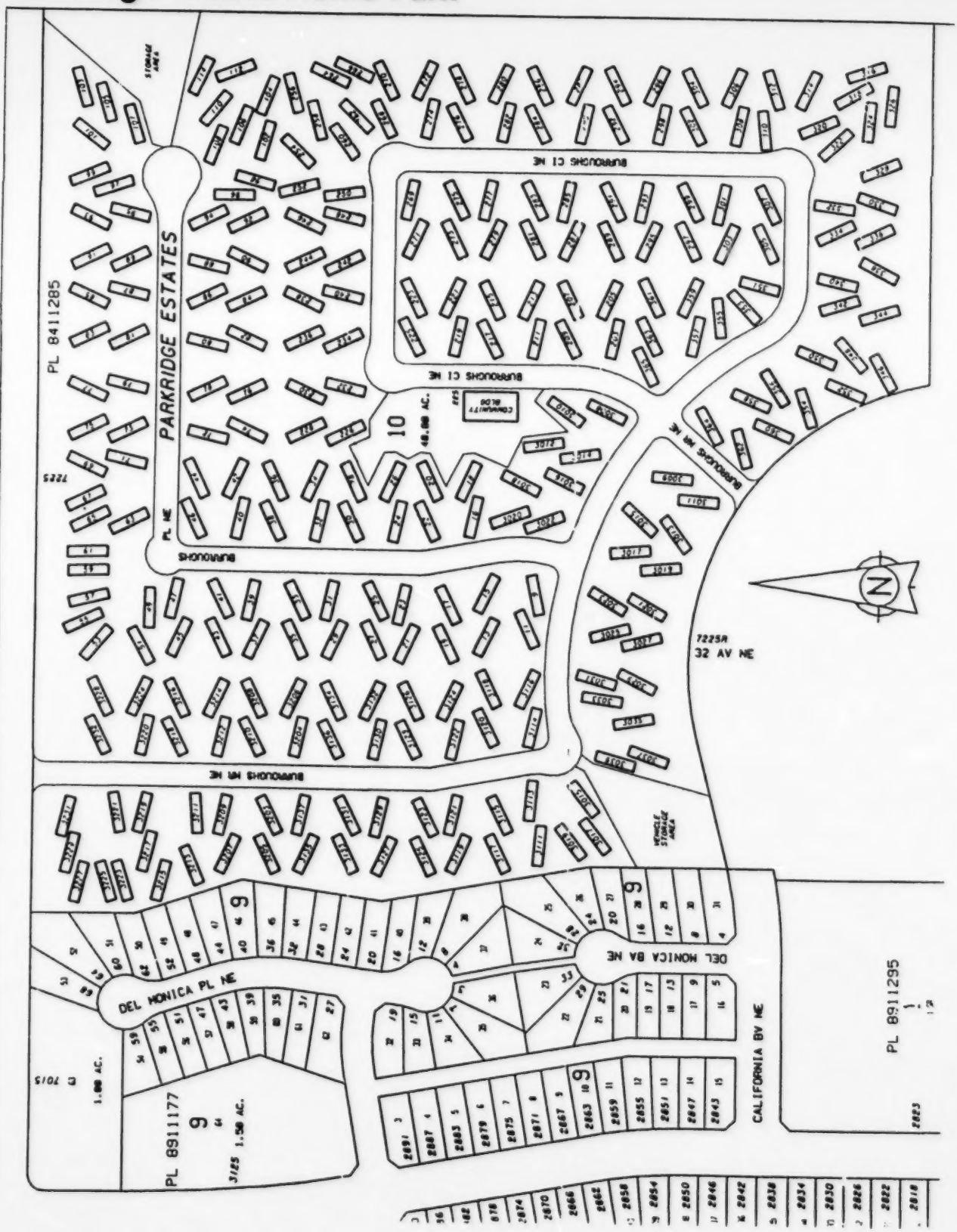
CITY OF CALGARY



Map courtesy of Clearview Street Maps Ltd., Calgary, Alberta.


Map courtesy of Clearview Street Maps Ltd.,
Calgary, Alberta.
MacEwan
Edgemont
Dalhousie Residential Comparable
Brentwood
Charleswood Heights
Nose Hill Park
Cascade Mobile Home Park
Foothills Estate
Varsity Acres
CALGARY MARKET MALL
N

Parkridge Mobile Home Park



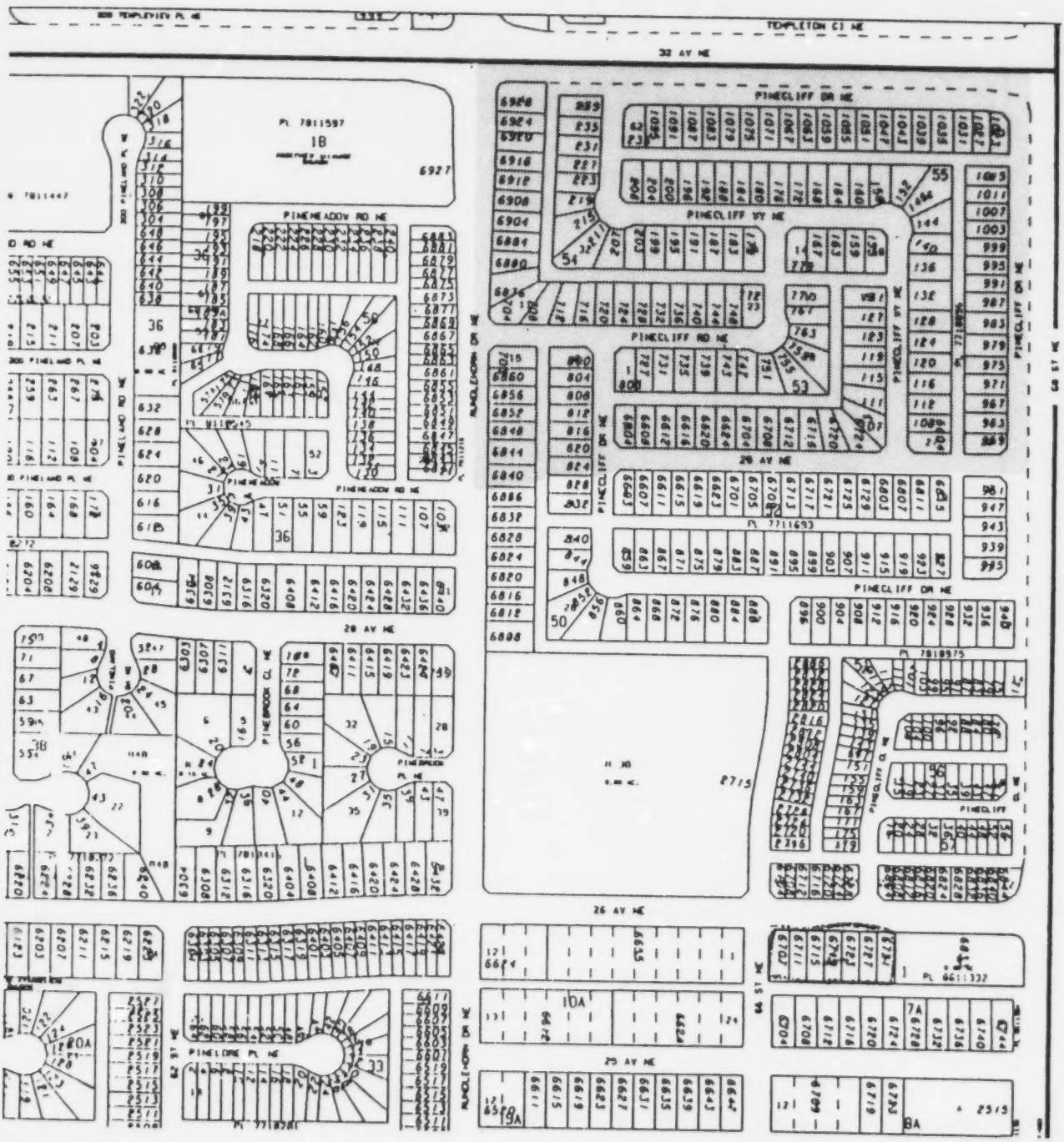
VALUATION OF PARKRIDGE MOBILE HOME PARK

This mobile home park is of 'newer' construction and design. It was built in 1985 and is of good quality with regard to roadways, parking, etc. Restrictions as to the style of roof that is found on the mobile homes is in place so that there may be quality control. No depreciation was placed on the improvements of the park as it is new. The licence fee collected for October was used as an average for the year. It may be noted that 234 of 274 sites paid the fee for the month of October.

Parcel size	40 acres	
Sites used	234	
Sites available	274	
Land assessment (taxable)		$2,087,070
Land assessment/acre		$ 52,664
Improvement assessment (taxable) for park		$ 996,660
Mill rate		33.0234
Taxes (assessment × mill rate)		$ 101,835
Licence fee (based on actual Oct.)		$ 111,542
Total licence fee and taxes		$ 213,377
Pro-rated occupancy to reflect 98%; 268 used.		
Average licence fee per mobile home — $111,542/234		$ 476
Estimated licence fee when park will be full: 268 units × $476		$ 127,568
Total 1989 revenues $101,835 taxes plus $127,568 (est. licence fee)		**$ 229,403**

Parkridge Mobile Home Park

Pineridge Residential Subdivision
Comparable



VALUATION OF PINERIDGE RESIDENTIAL SUBDIVISION

Pineridge subdivision was used as comparable residential housing. Adjacent Monterrey Park housing area was not used as a comparison in the study because the subdivision contains upgraded new style housing. It may be typical of today's housing construction but not comparable to the mobile home park units.

Comparable size to Parkridge Mobile Home Park	40 acres	
Number of lots found — use 3.7 lots per acre	148	
Average size of lot	50' × 100'	
Average land assessment per lot		$ 18,200
Estimated total land assessment $18,200 per lot × 148 lots		$2,693,600
Average improvement assessment per lot		$ 31,880
Estimated total improvement assessment $31,880 per lot × 148 lots		$4,718,240
Estimated total assessment 1989		$7,411,840
1989 Mill rate		29.140
Estimated total taxes 1989 total assessment × mill rate		**$ 215,981**

Pineridge Residential Subdivision

Cascade Mobile Home Park
Calgary
CALGARY CASCADE MOBILE HOME PARK
DALHOUSIE DR NW
DALHOUSIE CR NW
53 ST NW
DALHAM CR NW
DALFORD RD NW
DALFORD PL NW
CROWCHILD TR NW
LINCOLN DELLS
DALTON SQUARE
DALTON DR NW
PL 7710470
CDE 7810779
PL 3965 FR
1
PL 5380 GA
19
PL 5105 JK
18
30
CALGARY CHRISTIAN CENTRE
THE FORTRESS
N

VALUATION OF CASCADE MOBILE HOME PARK

This established mobile home park was chosen for comparison purposes also. Built in 1971, this park is under a Local Authorities Board Order which limits the assessor as to the assessment he can place on the land and the mill rate the city can use for taxation. Note that 98% of the sites are being used.

Parcel size	35.35 acres	
Sites used	299	
Sites available	304	
Land assessment (taxable)		$ 913,380
Land assessment per acre		$ 26,000
Improvement assessment (taxable)		$1,116,330
Mill rate less School Foundation		20.4143
Taxes		$ 41,434
Licence fee (based on actual Oct.)		$ 95,871
Total licence fee and taxes 1989		**$ 137,305**

Cascade Mobile Home Park

CASCADE MOBILE HOME PARK
WITH BOARD ORDER REMOVED

Note that in comparison to other properties, the total revenues payable are quite different.

If the land was assessed as other mobile home parks, ($52,664/acre), the assessment would be $1,861,672.

Total projected assessment would be $2,978,002.

Apply mill rate used for other mobile home parks of 33.0234 rather than 20.4143.

Projected taxes for 1989 would be $98,344.

License fee for 1989 would be $95,871.

Total projected revenues for 1989 would be $194,215.

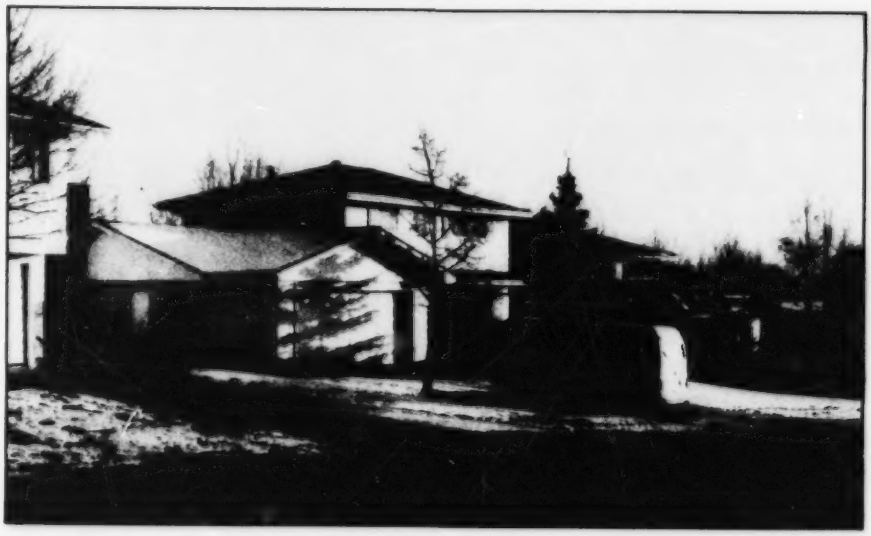
Dalhousie Residential Subdivision Comparable

VALUATION OF DALHOUSIE RESIDENTIAL SUBDIVISION

This residential subdivision is a desirable established area. Built in the late 60's and early 70's, the housing is of average quality with all amenities nearby. This area best equates to the Cascade Mobile Home Park for comparison purposes.

Average size of lot	54' x 110'	
Comparable total acreage — to Cascade Park	35.35 acres	
Number of lots — use 3.7 lots per acre	130	
Average land assessment per lot		$ 23,650
Estimated total land assessment: $23,650 per lot × 130 lots		$3,074,500
Average improvement assessment per lot		$ 32,690
Estimated improvement assessment $32,690 per lot × 130 lots		$4,249,700
Estimated total assessment 1989		$7,324,200
1989 Mill rate		29.1400
Estimated total taxes 1989 total assessment × mill rate		**$ 213,427**

Dalhousie Residential Subdivision

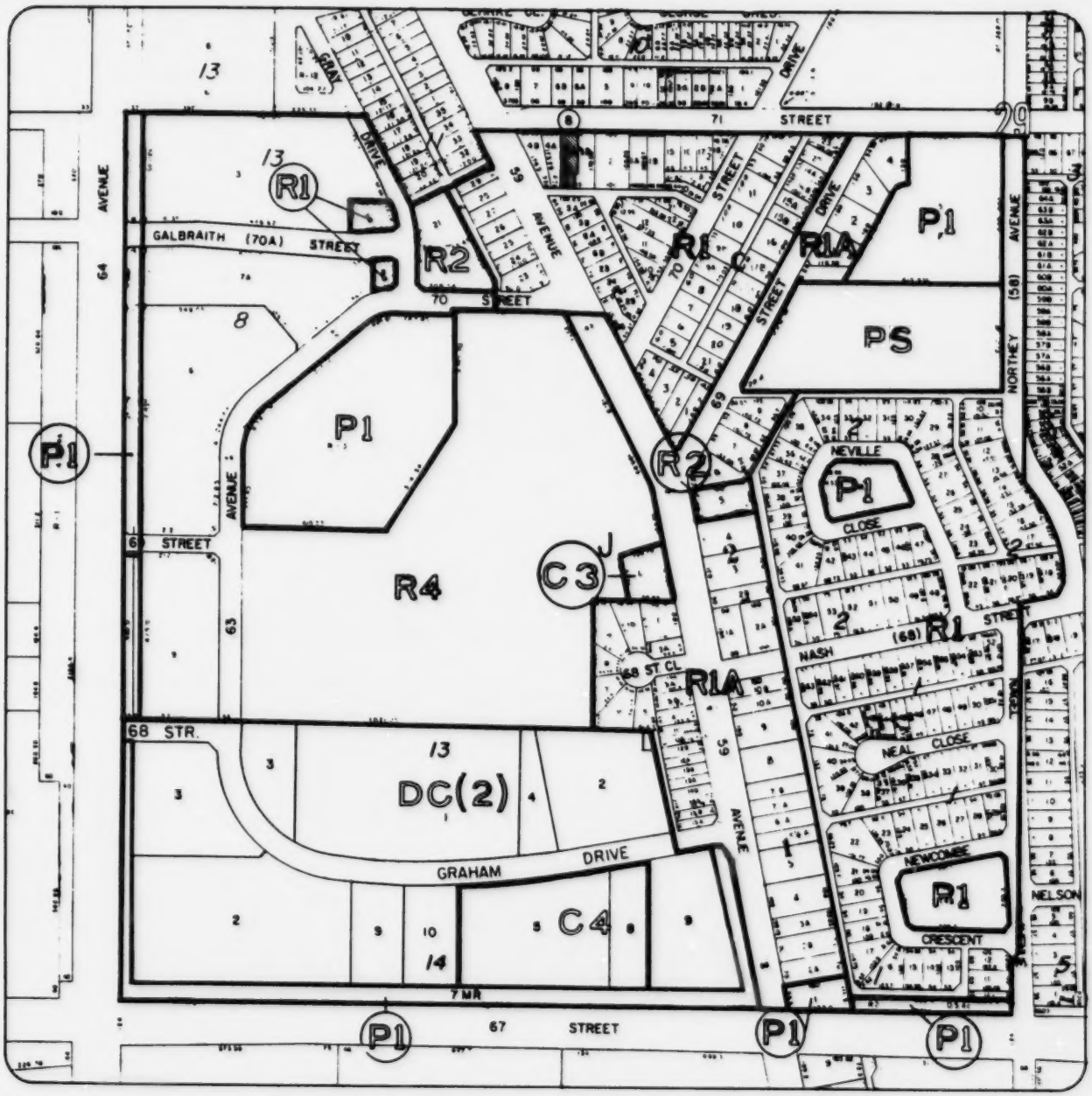


ADDENDA

Neville Close Residential Subdivision

City of Red Deer --- Land Use Bylaw
Land Use Districts

E 12



scale in metres

Revisions :

2672/D-80 (15/9/80)
2588/K-80 (18/8/80)
2672/N-81 (22/6/81)
2672/DD-89 (11/12/89)

Mustang Acres Mobile Home Park

Mustang Acres Mobile Home Park

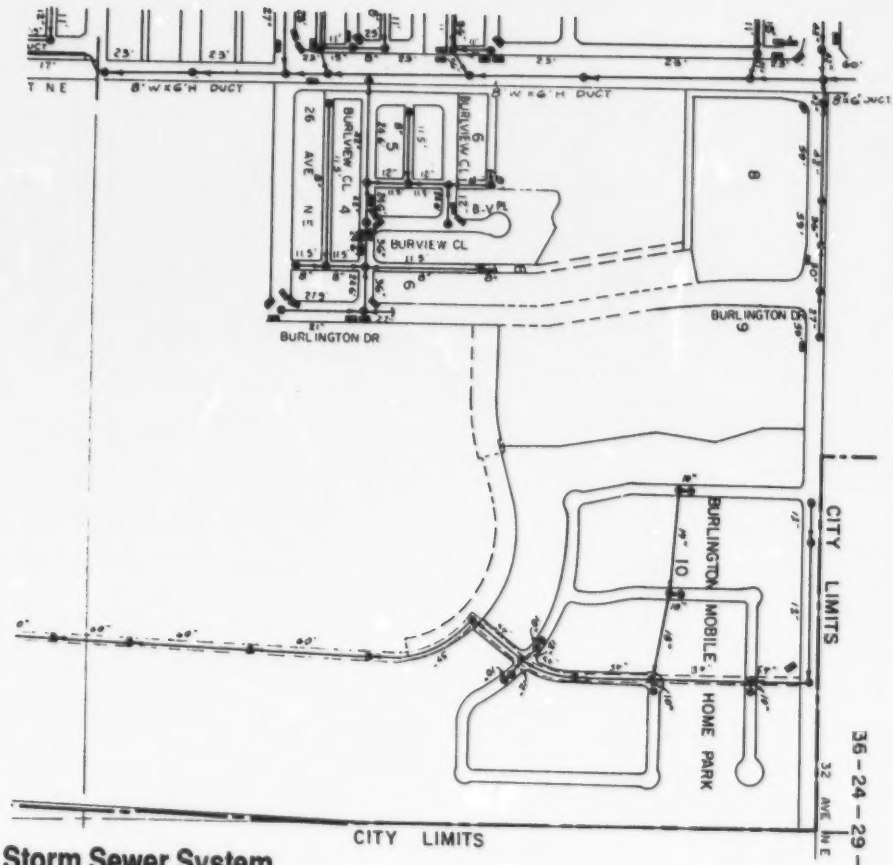
Neville Close Residential Subdivision
Storm Sewer System

Neville Close Residential Subdivision
Sanitary Sewer System

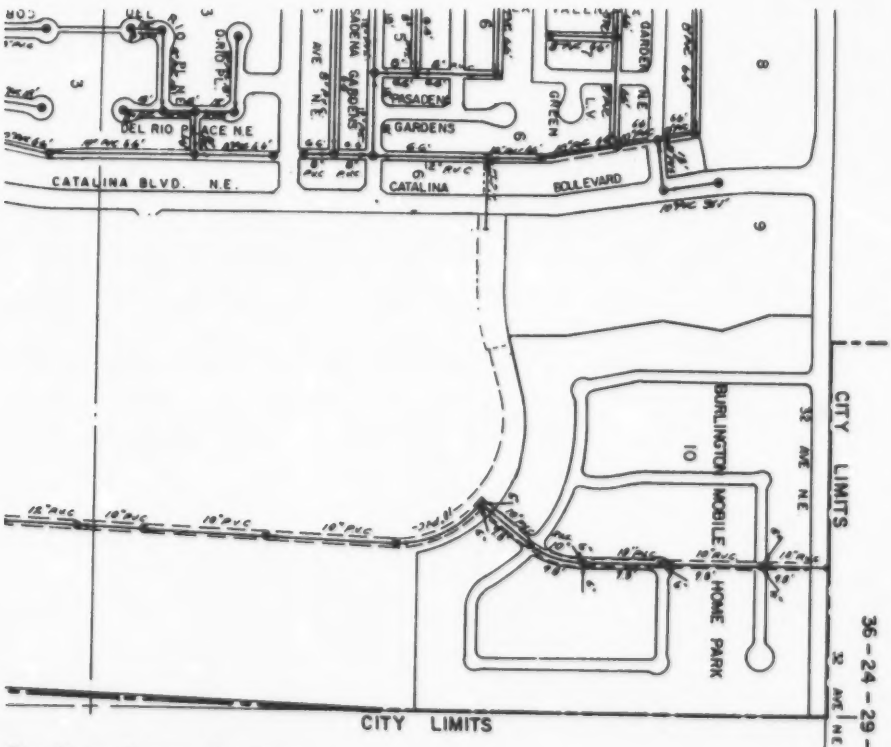
Neville Close Residential Subdivision
Water Distribution System

Neville Close Residential Subdivision
Road System

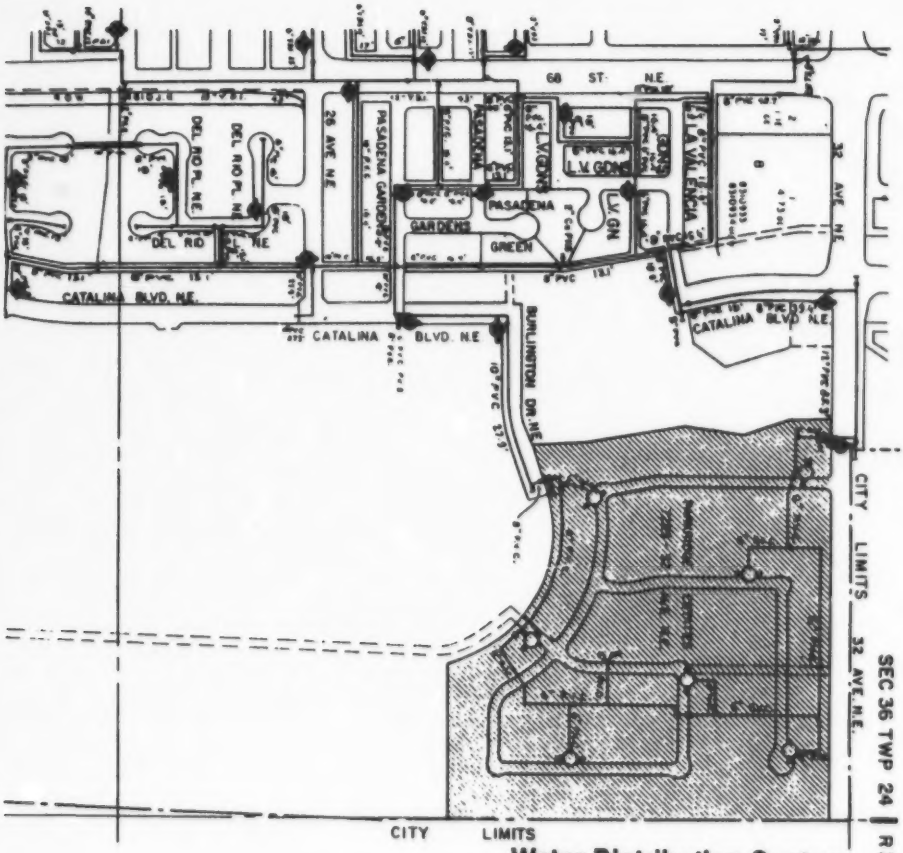
Parkridge Mobile Home Park



Storm Sewer System

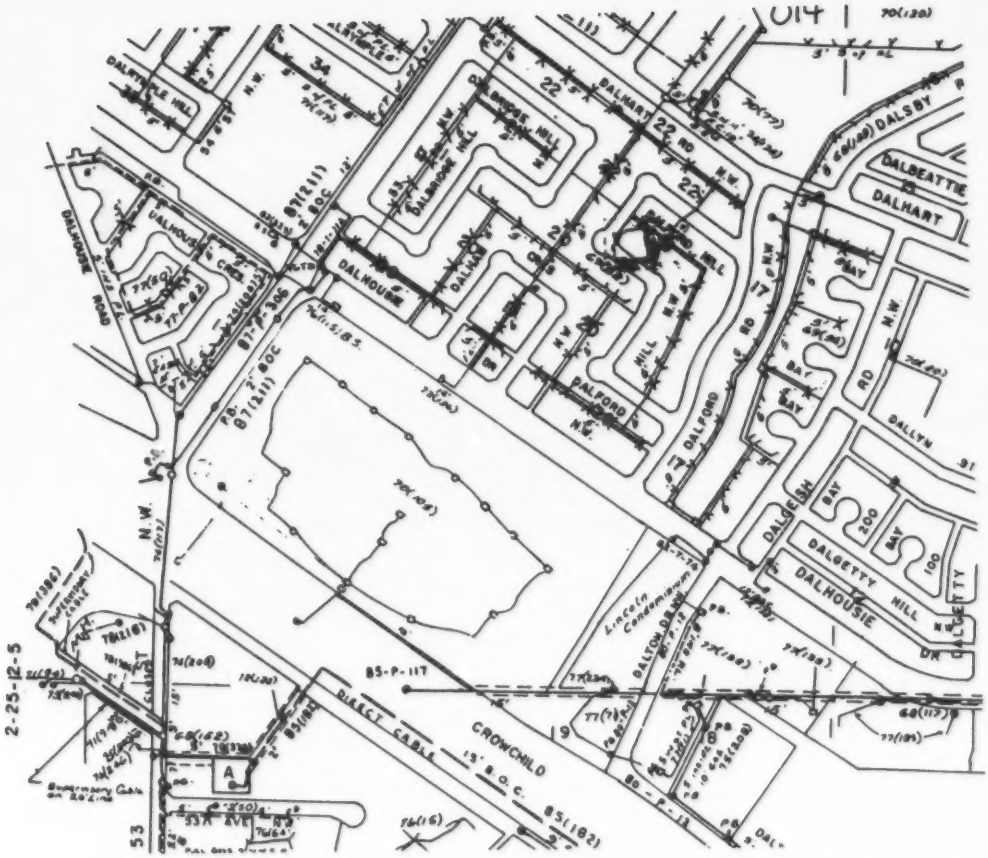


Sanitary Sewer System

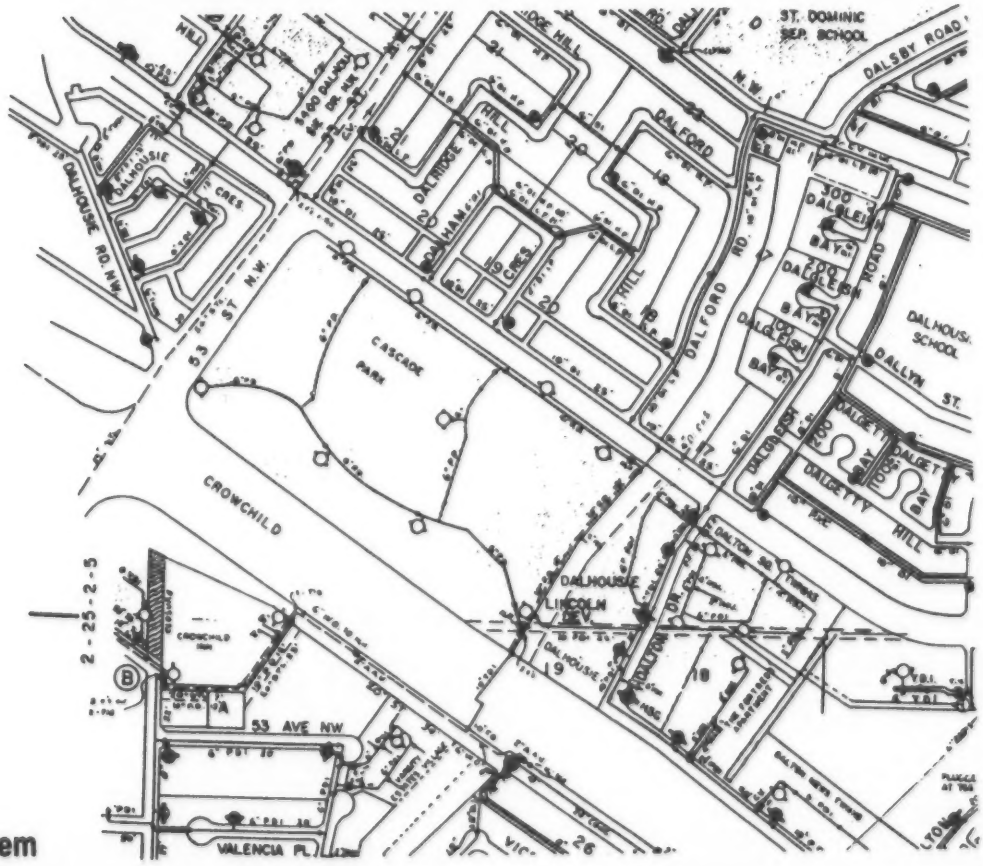


Water Distribution System

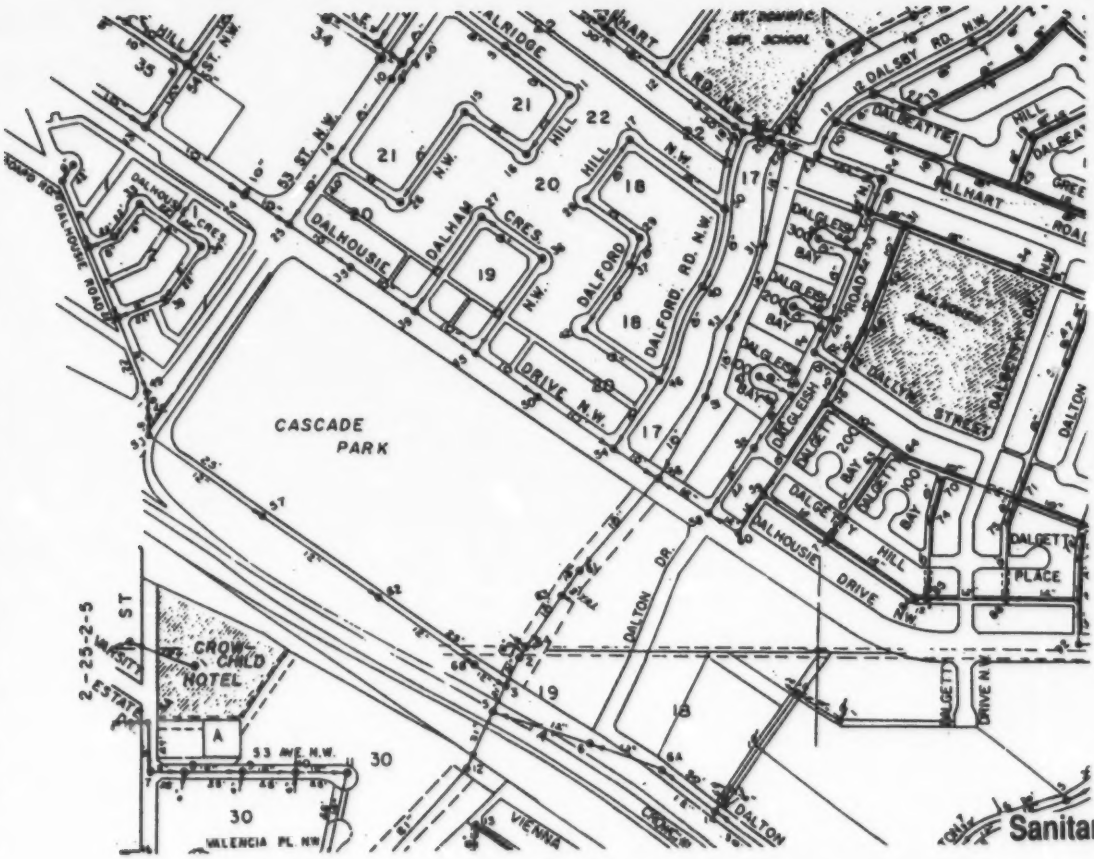
Cascade Mobile Home Park



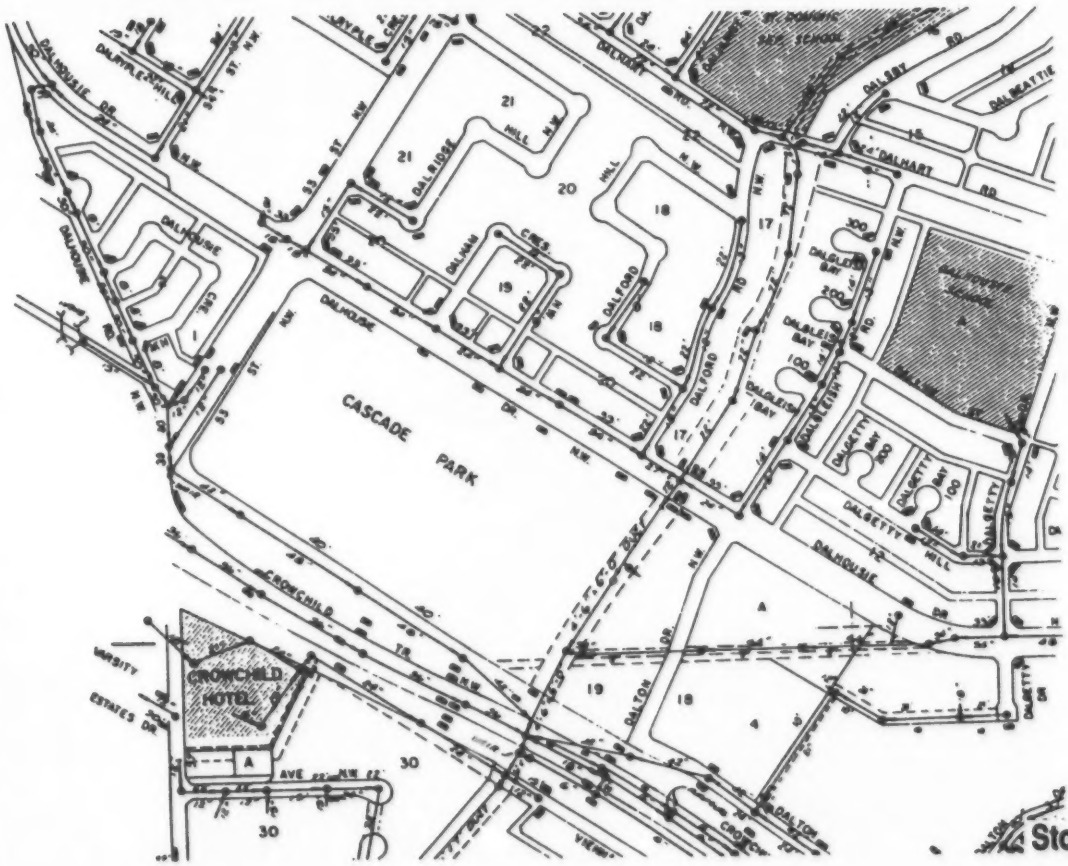
Electrical System



Water Distribution System



Sanitary Sewer System

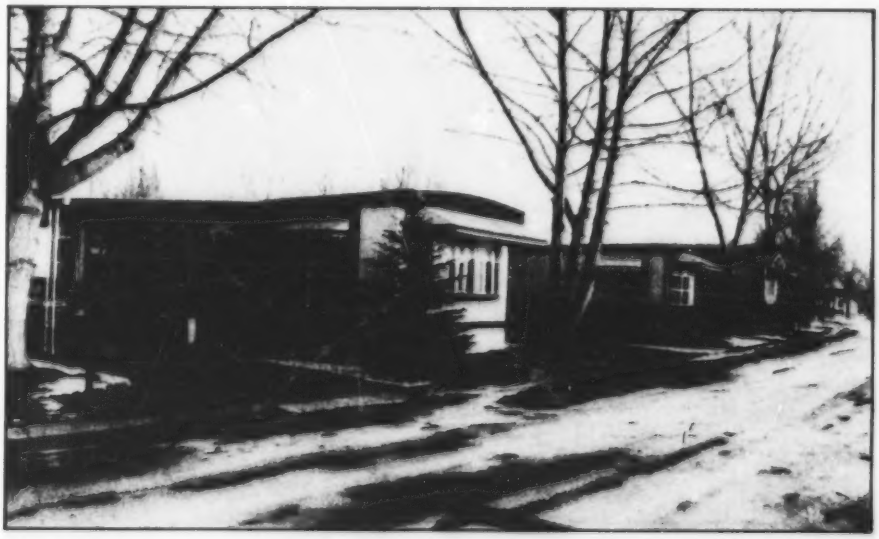


Storm Sewer System

Parkridge Mobile Home Park

Pineridge Residential Subdivision

Cascade Mobile Home Park



Dalhousie Residential Subdivision